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China Literature Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 772

2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



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About Us

China Literature Limited is dedicated to building a deep and immersive IP universe for the Mandarin-speaking world. We cultivate and develop core IP and derivatives covering literature, animation, film and television, games, short dramas, AI-animated dramas and other diversified forms of digital entertainment, and strive to integrate with offline real life to meet the comprehensive spiritual needs of users. China Literature Limited owns well-known brands in the industry such as Qidian Reading, New Classics Media, QQ Reading, Tencent Animation & Comics and Yuewen Goods to cultivate and develop IP, and has established extensive content distribution and IP cooperation with Tencent, our shareholder and strategic partner, as well as third-party partners. China Literature Limited has successfully delivered representative IP adaptations in the fields of animation, film and television, and games, including "Joy of Life" (《慶余年》), "Candle in the Tomb" (《鬼吹燈》), "The King's Avatar" (《全職高手》), "Lord of the Mysteries" (《詭秘之主》), "Soul Land" (《斗羅大陸》), "Battle Through the Heavens" (《斗破蒼穹》), "Nirvana in Fire" (《琅琊榜》), "Fox Spirit Matchmaker" (《狐妖小紅娘》) and "The Outcast" (《一人之下》). China Literature Limited's large and rich content library and IP full industry chain development capability is our important advantage.

Vision and Mission

Our mission: "Creating good stories that will live forever"

A Strong Alliance of Creators	Rich Content Reserves	Hundreds of Millions of Active Users	A Key Source of Content
A comprehensive system for nurturing writers; a mutually beneficial cultural ecosystem among writers, readers, and the platform	A vast array of works including online originals, traditional publishing, and audio books, covering more than 200 content categories	Building a diverse product portfolio and multi-channel content distribution network	Advancing development of various content formats through a diverse IP matrix

Our vision: "Creating the most valuable IP ecosystem for creators and becoming a world leading platform for cultural creativity"

We established "Grand China Literature" strategy, which aims at establishing an open and inclusive ecosystem with our business partners, with online literature as our cornerstone and IP development as the growth accelerator.

About This Report

This report provides information on environmental, social and governance ("ESG") performance of China Literature Limited (hereinafter "the Group", "China Literature" or "We") for the year of 2025. It should be read in conjunction with the annual report, in particular the Corporate Governance Report contained in the annual report, as well as the sections headed "Corporate Governance", etc. on the Group's website.

Reporting Scope

This report aims to systematically represent our management measures and practices in terms of content ecosystem, employee care and development, responsible operations, community engagement, and environmental protection (including climate change) in 2025. We will focus on ESG issues that are of interest to stakeholders.

This report covers China Literature Limited ("China Literature") and its subsidiaries for the period from 1 January 2025 to 31 December 2025. Compared with the ESG Report 2024 issued on 22 April 2025, there is no significant adjustment in the scope of this report.

Preparation Basis

This report is prepared in accordance with the Environmental, Social and Governance Reporting Code in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. It has complied with all the "mandatory disclosure" and "comply or explain" provisions and has included explanations for disclosure provisions which are not applicable to us.

Reporting Principles

This report follows the reporting principles in the Environmental, Social and Governance Reporting Code.

"**Materiality**": Significant stakeholders are identified, and stakeholder engagement and materiality assessment are included in the preparation of the Report as evidence for the determination of material ESG issues.

"**Quantitative**": All the data in this report come from relevant statistical reports and official corporate documents. Meanwhile, relevant standards and methodologies used in calculating emissions/energy consumption are reported.

"**Balance**": This report follows the principle of balance and objectively presents the ESG status of the Group.

"**Consistency**": The methodology used for statistics disclosure of key performance indicators (KPIs) in this report is consistent with that used for the ESG Report 2024.

Availability

Both Chinese and English versions of this report can be viewed on the Company's website at http://ir.yuewen.com and Hong Kong Stock Exchange's website at http://www.hkexnews.hk. In case of any conflict or inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

Contact Us

Stakeholders' valuable opinions can help the Company continue to improve performance on ESG. Please feel free to contact our Company Secretary with any comments or suggestions related to the Report.

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1. ESG Governance

1.1 Board Statement

The Board of Directors ("the Board") is the body with the ultimate responsibility for overseeing and managing the ESG matters of the Group. In accordance with the Environmental, Social and Governance Reporting Code, we have established the ESG governance framework to review the establishment and implementation of ESG objectives, and established an ESG risk management and internal control system. Details of the governance framework can be found in the "ESG Strategies" section of this report. The Board has also been involved in the assessment, prioritisation and management of ESG matters as detailed in the "Stakeholder Communication" and "Materiality Assessment" sections of this report.

This report, which discloses in detail the progress and effectiveness of the Group's ESG efforts in 2025, was considered and approved by the Board.

1.2 ESG Strategies

We are fully aware that improving environmental and social performance is the core for us to achieve long-term stable operations and drive sustainability. Maintaining a sound management mechanism, we have integrated the ESG related risks and opportunities into our corporate operation strategy as guidance for daily business operations.

We have established the ESG management framework consisting of the Board, the senior management and the working group. To support the Company's commitment to fulfil environmental and social responsibilities, the Board oversees, evaluates, prioritises and manages material ESG matters, formulates relevant management policies, strategies, priorities and objectives, reviews the Group's performance regularly and approves annual ESG reports. The senior management reports relevant risks and opportunities to the Board, and ensures the effectiveness of the ESG risk management and the internal control systems. And the working group is responsible for implementing the strategies and policies of the Board, conducting related management and reporting work and reporting to the senior management on the progress of the work.

After discussions with the management and considering the stakeholder communication results and the actual operations, we have identified key focus areas for ESG management and prioritised them based on their materiality to the Group and external stakeholders. Relevant content will be discussed in detail in this report. This report discloses related management policies, specific measures, and performance under themes including content ecosystem, employee care and development, responsible operations, community engagement, and environmental protection, providing a basis for the Group's ongoing review and enhancement of management efforts.

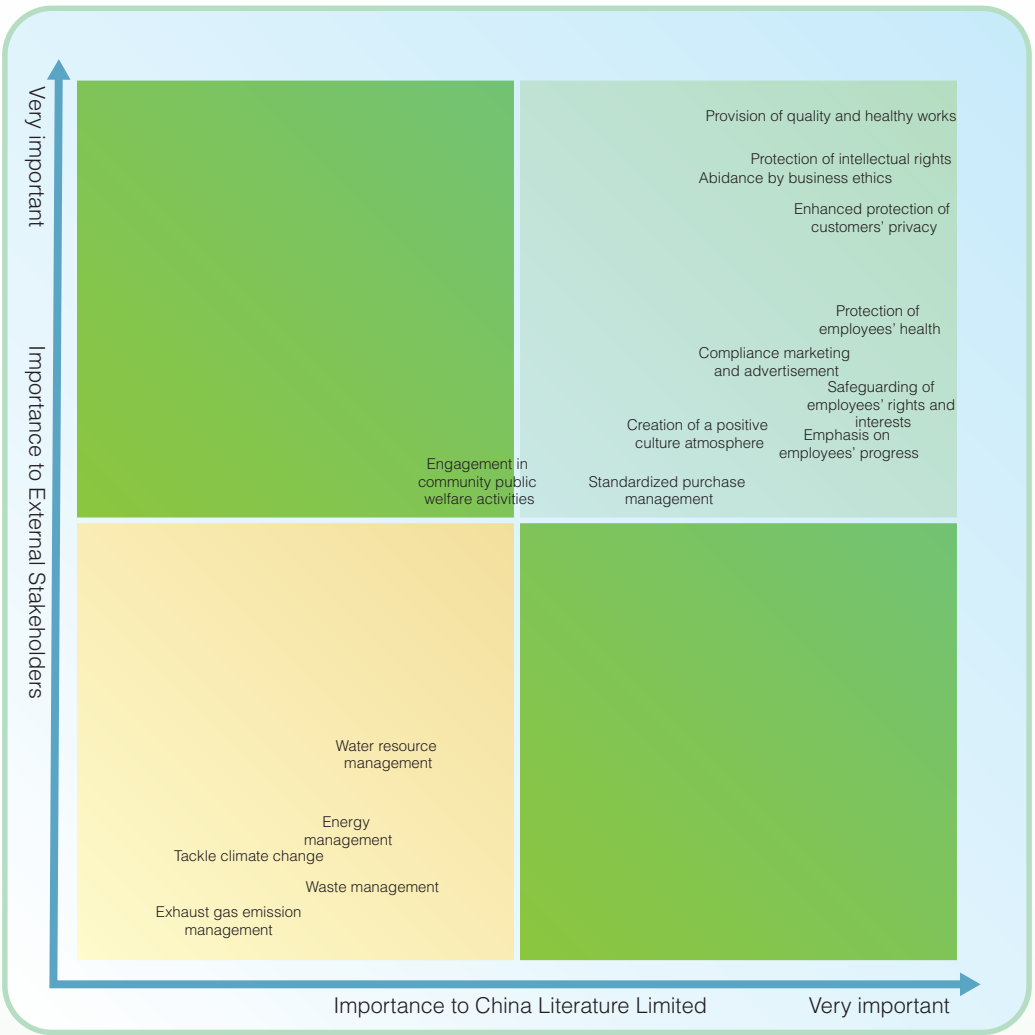
1.3 Stakeholder Communication

We emphasise communication and cooperation with all stakeholders, and encourage them to participate in the implementation of our ESG strategies and supervise our ESG efforts. Our key stakeholders include shareholders and investors, regulators, industry associations, partners, customers, employees, suppliers and community. Through diverse and effective communication channels, we gain insights into stakeholders' expectations and key concerns on ESG issues, which serve as important references for developing and refining our ESG strategies. Issues of concern and major communication channels for stakeholders are as follows:

Stakeholders	Issues of concern	Major communication channels
Shareholders and investors	Sustained and steady business growth Business strategies Operations in compliance Transparent information disclosure	Company announcements Official website Regular meetings Investors' meetings
Regulators	Business ethics Compliance marketing and advertisement Corporate governance	Policy consulting Regulator training Official visits Information disclosure
Industry associations	Protection of intellectual property rights Positive culture atmosphere	Seminars On-site investigation Industry activities
Partners	Protection of intellectual property rights Quality and healthy works	Daily communication Online platforms Regular meetings
Customers	Quality and healthy works Enhanced protection of customers' privacy	Customer service hotline Online customer service Customer satisfaction survey Social media
Employees	Employees' rights and interests Employees' health Employee development	Employee training Annual meeting Performance evaluation Internal platform
Suppliers	Standardised purchase management Business ethics	Regular meetings Tendering process Strategy cooperation On-site investigation
Community	Positive culture atmosphere Engagement in community public welfare activities Environmental protection	Social media Public welfare activities

1.4 Materiality Assessment

When identifying the importance of ESG issues, the Group identified 16 ESG issues based on the applicable compliance regulatory requirements and the operating situation, and determined the materiality of each issue to the Group and stakeholders in consideration of stakeholders' opinions. The materiality assessment results were finally confirmed after the management's evaluation and review, and were reported to the Board. In 2025, the management revisited the materiality assessment results. As there were no significant changes in the business and operating environment, the previous materiality assessment results are still applicable to the Group:



Materiality Assessment Results

2. Developing a Content Ecosystem

2.1 Safeguarding Content Security

China Literature Limited has developed a high-quality content ecosystem with compliance as the foundation. We comply with the Copyright Law of the People's Republic of China, the Regulation on Internet Information Service of the People's Republic of China, the Law of the People's Republic of China on the Protection of Personal Information, the Law of the People's Republic of China on the Protection of Consumer Rights, the Advertising Law of the People's Republic of China, the Measures for the Administration of Internet Advertising, the Cybersecurity Law of the People's Republic of China and other applicable laws and regulations on content creation, dissemination and operation, fulfilling our corporate responsibilities and obligations in relevant businesses in accordance with the law.

In developing its content ecosystem, China Literature Limited regards content security as a fundamental priority, continuously refining its content management and operational mechanisms in the areas of value orientation, content quality and dissemination norms. We are committed to fostering a healthy and positive cultural environment by strengthening management across the entire content lifecycle–from planning and creation to distribution–enhancing the prevention and handling of harmful information, and ensuring a steady supply of content that conveys positive values. Building upon this foundation, the Group has undertaken initiatives such as promoting green and healthy reading, developing high-quality literary content, and producing premium film and television works. These efforts contribute to fostering a healthy, orderly content ecosystem and deliver a positive and enriching experience to users.

2.1.1 Green Healthy Reading

China Literature Limited has always regarded content security and compliance governance as a fundamental pillar for platform development. The Group abides by relevant laws and regulations, and resolutely prevents the dissemination of illegal information, including content that violates public order and good morals, vulgar and indecent content, as well as information involving infringement and plagiarism. Based on our policies and regulations such as the Regulations on Publishing and the "Ten Key Policies", we have established a content security management system guided by the principles of "Orientation-led and Value-based Management". Taking data security as the core, the Group continuously improves relevant security management mechanisms. At the execution level, China Literature Limited implements multi-dimensional management in terms of review standards, emergency response and security assessment, ensuring that these systems are effectively implemented. Additionally, the Group continuously upgrades the content security review platform and perfects the whole-process monitoring system to consolidate the foundation for the security of the content ecosystem.

To strengthen content security management and compliance implementation, China Literature Limited continues to optimise the staffing and management arrangements for content review. The content review team regularly participates in the online literature editing business training and continuing education organised by the Cyberspace Administration of China and the Administration of Press and Publication, and organises internal content security training, in a bid to improve the capabilities in content review and management and strictly control the quality of the platform works. The team closely tracks the developments in the requirements of the regulatory authorities and refines management measures accordingly to create a healthy and orderly network environment. At the same time, China Literature Limited communicates requirements for content compliance and value orientation to writers through creation guidelines and other means, encouraging them to fulfil corresponding social responsibilities in the creation process and produce works in line with mainstream socialist values.

China Literature Limited has developed an integrated management mechanism for content security governance centred on "proofreading and review, reporting and inspection, and comprehensive coordination". A content security management model is also established that combines manual review with tech-empowered monitoring.

In the proofreading and review process, China Literature Limited focuses primarily on content, operating a review mechanism that encompasses both admission review and ongoing updates inspection. Any serialised online literature created that already meets relevant requirements must further undergo a manual compliance review one by one, and may be archived only after it has been verified to be in full compliance with all applicable laws and regulations. Once a work is entered into the repository, we conduct continuous monitoring and surveillance of the work's updated content through an editor-reviewer interaction mechanism. For content creators, we implement a dual mechanism of pen name review and real-name verification to safeguard the authenticity of author identities and the copyright of works. In terms of manual review, we implement the editor-in-chief responsibility policy, appointing the editor-in-chief as the person responsible for content review. For all of our platforms, our editors must preview some chapters before putting the works on the websites, to ensure content compliance and work quality. Meanwhile, we carry out review and management of user-generated content (UGC), including identity verification, nickname and avatar review, post review, and recall of trending content, to ensure the health and compliance of platform content.

Building on the proofreading and review mechanism, China Literature Limited simultaneously conducts management of reports and inspections, followed by integrated response, continuously strengthening the supervision and risk prevention and control of platform content. These mechanisms address both work content and UGC, enabling timely identification of potential risks through user reports, routine inspections and other means, while ensuring sustained monitoring of irregular publishing activities. For a small number of severe violations, we apply corresponding corrective and coordination actions, and enforce a publishing blacklist mechanism to ensure that any problematic content receives a timely and appropriate resolution.

In terms of technological monitoring, China Literature Limited continuously develops and upgrades its content security review system, with the China Literature Intelligent Risk Control System forming its technological backbone. We have built the online, fully traceable content review system, and realised the centralised management and unified circulation of review information across different business lines through a platform-based architecture, enhancing the transparency and operational efficiency of review processes. On this basis, China Literature Limited utilises the content security review system for real-time content monitoring. We have also integrated the risk retrospective mechanism, and applied technical capabilities including AI models, semantic recognition, keyword combinations and homophone detection to analyse and locate content with potential risks, enabling the rapid identification and disposal of problematic content. In 2025, China Literature Limited further strengthened its investment in technological R&D (Research and Development) for content security, continuously iterating and upgrading intelligent models to further enhance its content security assurance capabilities.

China Literature Limited attaches great importance to original work protection and continuously improves the governance mechanism against plagiarism and content spinning. We have established and published the reporting and handling procedures for plagiarism issues, and set up a multi-channel acceptance mechanism to support relevant parties in reporting suspected plagiarism and content spinning. To uphold originality, we have established the "Plagiarism Identification Committee", bringing together various parties including third-party experts, veteran writers, in-house editors, and review experts. This multi-stakeholder approach ensures that potential plagiarism is assessed from diverse professional perspectives, guaranteeing both professional rigour and impartiality in the evaluation process. In addition, China Literature Limited continues to enhance the ability to identify content spinning and uses technological means to protect original works. We resolutely take serious disciplinary actions against plagiarism and content spinning, commit to safeguarding a fair and orderly creative environment, and drive the healthy development of the online literature industry.

We continue to advance the development of the teenager mode and relevant management measures for adolescent protection. For further details, please refer to Section 4.2 Digital Security Management in this report.

2.1.2 High-Quality Literary Content

China Literature Limited always upholds the mission of cultural communication, commits to fostering a positive and healthy online literature ecosystem, and firmly implements mainstream values. With high-quality content creation at the core, the Group drives the high-quality and diverse development of online literature. In 2025, 106 works under China Literature Limited received important awards and support in various selection and support activities organised by the National Press and Publication Administration, China Writers Association, local writers associations, the Publicity Department of the CPC Central Committee, and press and publication bureaus. Additionally, over 600 works were collected by the National Library of China, the China National Archives of Publications and Culture, the Shanghai Library, the British Library and other public cultural institutions.

China Literature Limited continuously advances the refinement of online literature content quality. The Group's works have received numerous awards in professional evaluations and garnered widespread recognition across the industry. In 2025, at the 36th Galaxy Awards, multiple works and writers under China Literature Limited claimed a number of important honours including the Best Online Science Fiction, the Best Overseas Dissemination of Online Literature and the Best Original Book. In addition, multiple works of the Group were selected for the Most Valuable IP List of Science Fiction, demonstrating the professional standards of Chinese original online literature in the fields of science fiction creation and overseas communication. Meanwhile, several works of China Literature Limited were included in industry selections such as the "Spotlight Good Books List", which fully highlights the platform's core competitiveness in the incubation and creation of high-quality premium content.

Meanwhile, China Literature Limited continues to leverage online literature and IP as key vehicles to facilitate the dissemination and exchange of Chinese cultural content internationally, promoting Chinese stories on the global stage. In 2025, Ye Xiu, the protagonist of "The King's Avatar" (《全職高手》), was invited to serve as the Swiss Tourism Explorer for 2025 by the Swiss National Tourism Board, forging a cross-border collaboration between online literature IP and international cultural tourism. The reading campaign of China Literature Limited's Global Chinese IP Festival was named to the Recommended Digital Reading Programs by the China Audio-Video and Digital Publishing Association, which has provided a robust industry platform to support the international dissemination of Chinese IP. These initiatives promote interactions between Chinese cultural content and international audiences through diverse forms, and continuously elevate the international visibility and cultural influence of Chinese IP, injecting new content-driven momentum into cross-cultural exchanges.



Ye Xiu Served as the "Swiss Tourism Explorer for 2025"

2.1.3 High-Quality Film and Television Content

New Classics Media has formulated a standardised and streamlined management system for script screening and production across TV and film content, and acts upon regulatory requirements in the course of the script preparation, rough clipping and review. At the same time, New Classics Media continues to explore policy orientation and social development, to ensure wholesome, uplifting values across all productions. Building on this, New Classics Media remains committed to mainstream values, leverages and gives full play to the team's strengths in IP adaptation and unleashes its own production capabilities. New Classics Media insists on a long-term strategic layout of quality, diversification and serialisation, and adheres to the people-focused storytelling grounded in realism. Besides, we advocate works of "ordinary people, strong enthusiasm, positive attitude" to tell Chinese stories and convey Chinese emotions.

Built on a robust content production framework, New Classics Media's high-quality productions continue to yield impressive results, achieving both commercial success and positive social impact. In 2025, New Classics Media released two TV series, "Guardians of the Dafeng" (《大奉打更人》) and "War on Drug" (《掃毒風暴》), both of which were synchronised with the broadcast on TV channels and the Internet, and gained unanimous recognition from the market and the audience. Leading in ratings and all-platform viewership, "Guardians of the Dafeng" (《大奉打更人》) entered the "Hit Club" of the broadcasting platform, and broadened its international footprint through diversified, multi-language distribution across overseas markets. "War on Drug" (《掃毒風暴》) earned the recognition of audiences and sustained popularity for upholding positive values while delivering high-quality narratives.

During the reporting period, multiple productions by New Classics Media have earned recognition from both critics and industry peers. "Guardians of the Dafeng" (《大奉打更人》) received the "Impact Work of the Year" award and the "Expressive Actor of the Year" award at the 2025 Weibo TV and Internet Video Summit. TV series such as "Joy Of Life 2" (《慶余年2》), "The Tale of Rose" (《玫瑰的故事》) and "The Legend Of ShenLi" (《與鳳行》) received several awards from the Tencent Video Golden Penguin Awards 2024, the 30th Shanghai TV Festival Magnolia Awards and the CMG's 3rd annual Chinese TV Drama Awards. The film "YOLO" (《熱辣滾燙》) won the "Highest-Grossing Asian Film" award at the 18th Asian Film Awards and received the "Outstanding Theatrical Film of the Year" award at the Tencent Video Golden Penguin Awards 2024.



Honours Received by New Classics Media Productions

New Classics Media and Yuewen Media have deepened collaboration to integrate talent and resources, and maximise synergistic advantages and efficiency in content creation and project execution. By driving resource sharing and integration, both parties have achieved synergies in talent deployment and resource utilisation, significantly enhancing overall operational efficiency. Leveraging their complementary strengths across content creation, project development and other critical stages, New Classics Media and Yuewen Media have been driving greater efficiency and higher success rates in IP development, and continuously delivering quality content to unlock the full value of cultural products.

New Classics Media has also remained dedicated to fostering a robust industry ecosystem, actively participating in various industry exchanges and seminars, and driving dialogue with cross-sector stakeholders, including industry, legal, and academic professionals. In 2025, New Classics Media took part in the 1st China TV Drama Industry Conference, contributing to the thematic dialogue on "Methods and Strategies for Chinese TV Drama to Enter Overseas Markets", as well as the 27th Shanghai International Film Festival's industry event "Building an Efficient Management System for Chinese Film and Television Projects". During these forums, New Classics Media shared practical experiences on topics of Chinese drama export, full-cycle project management, legal compliance in global partnerships, IP commercialisation, and AIGC copyright, providing insights on risk mitigation, operational optimisation and sustainable development.



New Classics Media Attended the Industry Event "Building an Efficient Management System for Chinese Film and Television Projects"

Committed to the long-term vitality of the industry, New Classics Media continues to nurture young directors and screenwriters through diverse channels, fostering a sustainable creative talent pipeline. In 2025, New Classics Media participated as jury members and panellists in several youth creation support programs, including the 7th Golden Rooster Films Project Market, the 19th "Xia Yan Cup" Film Literature Script Award, the "Star Project" for Guangdong Young Filmmakers, the 15th Beijing International Film Festival Project Pitches, and the Aranya Waves Film Festival. Through these engagements, New Classics Media contributed to the discovery and incubation of young creators and promising projects, fostering diversification in genres and artistic styles while contributing to the sustainable development of the film and television ecosystem.

As for cultural inheritance and global outreach, New Classics Media leverages its expertise in content creation and industry practices to promote the distribution of classic content and advance the export of Chinese film and television productions. In 2025, as a copyright donor, New Classics Media participated in the launch ceremony of the 2025 "Revisiting Classics" screening and exhibition project. By donating classic film and television content, we supported the TV channel's public-interest broadcasting initiatives, and helped to preserve and promote the cultural values and spiritual resonance embodied in these works. As for global outreach, New Classics Media leverages flagship productions including "The Legend Of ShenLi" (《與鳳行》), "The Tale of Rose" (《玫瑰的故事》) and "Joy Of Life 2" (《慶余年2》), to diversify overseas distribution channels and refine localisation strategies, bringing Chinese stories to audiences worldwide. Through active participation in industry forums and knowledge-sharing on overseas distribution, New Classics Media engages with industry stakeholders to advance best practices in global content expansion, supporting collaborative research on market entry strategies and fostering an enabling environment for Chinese cultural products going overseas. In 2025, New Classics Media was designated as a national key cultural export enterprise (2025-2026), reflecting the industry's and relevant authority's recognition of its cultural export achievements.



New Classics Media Attended the Launch Ceremony of the 2025 "Revisiting Classics" Screening and Exhibition Project as a Copyright Donor

2.2 Nurturing Creative Talent

China Literature Limited is fully aware that authors are our most valued partners. Combining a wealth of experience, talent and resources, we are committed to creating a nurturing system that is practical, authoritative and groundbreaking to ensure a steady, sustainable supply of creative talent. We are determined to build the "Writer Ecology 2.0"(作家生態2.0) that enables self-growth, self-improvement, and self-motivation, develop a service-oriented and connected platform, provide the whole-chain service tailored to writers' personalised needs, and continuously upgrade writers' service experience.

2.2.1 Cultivating Excellent Creators

We keep refining the training system for writers through courses, exchange and co-creation, and hands-on practice, elevating their skills and business acumen over time, and fostering a sustainable content ecosystem. We have established the "China Literature Qidian Elite Camp" (the "Camp"), bringing together authoritative experts and scholars, well-known online writers and film and television scriptwriters to build a systematic training system for writers, dedicated to providing the industry with a continuous supply of creative writing talent. China Literature Qidian Elite Camp offers integrated online and offline training programs, open to online literature writers and the wider industry, helping them start, grow, and transcend. The Camp provides a multi-level and graded training system for writers. Relying on the online learning platforms and community spaces built, it delivers structured courses and interactive exchange mechanisms that foster the sharing of creative expertise, and the development of creative skills and professional acumen. We keep our curriculum evolving in real time, tracking market trends and technologies in creative fields. During the reporting period, the Camp launched thematic programs including the Comic Dramas Training Camp (漫劇訓練營), Comic Dramas Screenwriter Beta Program (漫劇編劇內測班), and Text-to-Image & Text-to-Video Course and Tools Sharing (文生圖&文生視頻課程工具分享). Through project-based learning and curriculum in various forms, these initiatives supported creators at different stages in enhancing their content creation capabilities and developing adaptive competencies aligned with industry trends. As of the end of 2025, the China Literature Qidian Elite Camp has published over 1,400 courses, with a cumulative readership exceeding 34.26 million and over 300,000 writers served. The course satisfaction rate is over 98%.



Comic Dramas Screenwriter Beta Program



Text-to-Image & Text-to-Video Course and Tools Sharing

Placing creators at its core, the Group develops creator support initiatives and content co-creation systems with a focus on original content production and IP value extension. At the 2025 Yuewen Creation Conference, we brought together hundreds of creators and industry partners from fields including online literature, film and television, animation, short drama and derivative products. Centred on the "IP + AI + Consumption" strategy, we unveiled several initiatives for creator support and ecosystem co-construction, further specifying a development path rooted in originality and content.

To better support creators, we announced the upgrade of the "Creation Partner Program"(創作合伙人計劃), exploring the market of comic dramas now that stable results have been achieved for short drama. By opening up high-quality content resources, setting up a creation fund, and refining the collaborative mechanism from creation to adaptation, we provide writers with diverse paths for creation and career transition. Additionally, we further implemented the "Young Writer Support Plan (青年作家扶持計劃)" and launched the "College Student Story Entrepreneurship Program(大學生故事創業計劃)" to offer more proactive and systematic support for young creators. For IP incubation and co-creation, China Literature is accelerating the development of diverse IP derivatives by launching the "Global Trendy Toy Co-Creation Program". With contributions from global artists, this initiative aims to drive both the visualisation and commercialisation of China Literature's IP to further unlock business potential. On the technology front, China Literature has upgraded AI apps such as Author Assistant, Copyright Assistant and Comic-Drama Assistant, building a full-chain support system covering creation, development, and adaptation. This allows the Group to maintain a premium content ecosystem, and provide creators with more practical, diversified, and sustainable support. In the future, we will leverage our strengths in content production and operations, and support works in gathering IP energy in multiple dimensions such as promotion and operation, visual development, commercialisation, and community, thereby boosting the growth momentum of works. We will also provide more diversified writer services for creators to thrive in the long term.



2025 Yuewen Creation Conference



Creation Partner Program

China Literature Limited continues to foster an open and inclusive creative ecosystem, supporting writers in exploring diverse themes and styles to expand their creative boundaries and development pathways. In 2025, China Literature organised several support programs and writing competitions for creators across various genres (including science fiction, realism, traditional culture, and cultural tourism) and invited industry experts to evaluate and select excellent works and outstanding new writers. The winners were rewarded with diverse incentives such as cash prize, contractual support, and promotional resources, which support the writers in diversified development, continuously promote the production and dissemination of high-quality content, and contribute to the ongoing vitality of good stories.

"Galaxy Project" Science Fiction Writing Competition and Support Initiative

China Literature's Qidian Reading partnered with Science Fiction World to launch the "Galaxy Project", initiating a call for submissions of science fictions. The project features a dedicated editorial team responsible for selecting outstanding works. Selected works are awarded million-level copyright contracts and financial support, empowering young writers to create high-quality science fictions and promoting the development of an ecosystem for original science fiction content.



"Galaxy Project" Support Initiative

"Future Beyond Imagination" The 2nd Shenzhen Online Literature Writing Competition

China Literature Limited, in collaboration with the Shenzhen Reading Month Organising Committee Office, hosted the 2nd Shenzhen Online Literature Writing Competition. The competition, with the theme of "Future Beyond Imagination", focuses on collecting science fiction works, and encouraging writers to integrate Chinese cultural and contextual elements. By guiding creation through a Chinese perspective and mindset, it aims to produce uplifting science fiction that reflects the trends and future visions of Chinese modernisation. This initiative seeks to infuse online literature with greater technological imagination and contemporary vitality.



"Future Beyond Imagination" Writing Competition

"Meeting Intangible Cultural Heritages in Literature" Writing Competition

Co-organised by China Literature Limited and Prince Kung's Palace Museum, the "Meeting Intangible Cultural Heritages in Literature" Writing Competition focuses on intangible cultural heritage. It encourages online literature creators to develop works centred on traditional crafts, folk culture, and historical memories, using online literature to tell stories of China's traditional culture. Through the writing competition and selection mechanism, it promotes the integration of intangible cultural heritage content with contemporary narrative approaches, injecting new creative vitality into the digital dissemination and living transmission of traditional culture.



"Meeting Intangible Cultural Heritages in Literature" Writing Competition

"Rooted in the Rich Soil of Life, Co-creating a Decade of Literary Brilliance" The 10th Realistic Theme Online Literature Writing Competition

China Literature Limited, with the support of the Shanghai Municipal Press and Publication Administration, has organised the 10th Realistic Theme Online Literature Writing Competition. This competition, themed "Rooted in the Rich Soil of Life, Co-creating a Decade of Literary Brilliance," encourages creators from all walks of life to draw inspiration from real-life experiences. The creators are invited to use online literature as a medium and document the changes of our times and the social landscape, crafting vivid and representative characters that reflect the spirit of the era. The aim is to continuously advance the development of realistic online literature, deepening value expression and enhancing the quality of content.



"Rooted in the Rich Soil of Life, Co-creating a Decade of Literary Brilliance" Writing Competition

"Sailing with Words, Embarking on Creativity" Global Chinese Literary Awards

China Literature Limited worked with Singapore's Lianhe Zaobao and launched the "Sailing with Words, Embarking on Creativity" Global Chinese Literary Awards, calling for outstanding fiction submissions from Chinese literary creators worldwide. The competition encourages creators to transcend geographical boundaries through Chinese-language writing, telling contemporary stories from diverse cultural perspectives. In addition to cash prizes, selected and winning works will receive prioritised promotion for IP adaptation and full-platform promotion from China Literature Limited, further enhancing the global reach and influence of Chinese-language literature.



"Sailing with Words, Embarking on Creativity" Writing Competition

2025 Lushan Theme Essay Contest

The "2025 Lushan Theme Essay Contest" were jointly organised by the Publicity Department of the CPC Jiujiang Municipal Committee, the Publicity Department of the CPC Lushan Municipal Committee, and China Literature Limited. The initiative encourages online literature creators to draw inspiration from the cultural heritage of Mount Lu and the Jiujiang region and leverage diverse narrative approaches of online literature to document the natural landscapes, humanistic values, and urban development in the new era. The writing competition initiative uses literary creation to integrate regional cultural resources and online literary IP, promoting local culture and the integrated development of cultural and tourism sectors.



2025 Lushan Theme Essay Contest

"Theatre of Life" Writing Competition

China Literature Limited, in collaboration with 16 film and television partners, has launched the "Theatre of Life" Writing Competition. The writing competition initiative encompasses a diverse range of screen-adaptable genres, including period drama, romance, urban life, suspense, and high-concept dramas. It encourages online literature creators to employ innovative narrative techniques to explore the integration of realistic themes with established genre frameworks. The initiative provides copyright support and resource referrals for outstanding works, explores diverse pathways for the adaptation of online literature into film and television productions, and contributes to the growth of creators and the sustainable development of the content ecosystem.



"Theatre of Life" Writing Competition

By the end of 2025, a total of 368 writers of China Literature Limited had joined the China Writers Association. In addition, 24 of our writers were awarded major prizes by China Writers Association and various local writers associations, local governments and other organisations in 2025.

2.2.2 Improving Creators' Benefits

Under the principles of equal cooperation and mutual benefit, we have established multi-channel communication mechanisms with writers. Through forums, phone consultations, and online feedback collection, we continuously listen to writers' needs and suggestions, enhancing both the reach and effectiveness of our communication. In response to the practical collaboration needs of different writers and their works, we continuously refine the criteria of serving writers by offering diverse options in areas such as cooperative agreements and editing services support. This ensures writers' autonomy in decision-making and creative freedom, thereby fostering the creation and development of content across diverse themes. Simultaneously, in terms of brand operations, we leverage integrated resources across platforms, media, market, and copyrights to provide multi-dimensional support for writers with established influence. This approach assists them in expanding their personal brand impact and amplifying the reach of their works, thereby addressing their diverse development needs beyond the creative process. By optimising collaboration mechanisms and service systems, we are committed to building an open, diverse, and sustainable creator ecosystem, thereby fostering the healthy development of the online literature industry.

To enhance the quality of serving writers and our professional support capabilities, we have selected professional and outstanding editors and established the China Literature Gold Editing Studio, in addition to the existing editorial team, serving as a significant supplement to our current editorial system. The studio works in parallel with the editorial team, allowing writers to independently choose their contracted partners. On the basis of maintaining writers' existing treatment and resource arrangements, the studio provides personalised and customised writing guidance and services for writers in need. By continuously optimising its operational mechanisms and talent selection, the Gold Editing Studio provides more targeted creative support for writers to help them improve their writing skills and promote the production of high-quality content. Building on this foundation, we have introduced a Chief Editor mechanism. Based on the principle of mutual selection, experienced content experts were appointed as chief editors to provide professional creative support for writers and to participate in the entire process of the works' operation, collaborating to enhance the overall quality and market performance of the works. In 2025, hit works such as "Genius Club" (《天才俱樂部》), "Taiping Order" (《太平令》) and "Primordial Principles" (《元始法則》) were completed under the guidance and collaboration of chief editors. Since the establishment of the Gold Editing Studio, over 115 first-tier works and over 500 excellent works have been produced.

In order to further refine the support mechanism for creators, we launched the "Star Project of Professional Writers（職業作家星計劃）". This initiative provides systematic support tailored to contracted writers at different stages and of various genres, spanning the entire journey of creation, growth, and development. By focusing on dimensions such as writer benefits, writer care, writer training, and brand operation, we aim to optimise the creative environment for writers and enhance both the scope and precision of serving writers.



"Star Project of Professional Writers" Writer Support System

The websites under China Literature Limited offer a diverse range of support for dedicated contracted writers, including creation subsidies, creation incentives, author incentives, ranking bonuses, various ranking benefits, revenue sharing on IP merchandise and contractual guarantees. Additionally, tailored benefits are provided based on the unique characteristics of different platforms. In 2025, we updated and upgraded the benefit policies for platforms such as Qidian Chinese Network, Qidian Women's Website, and Xiaoxiang Academy. By lowering participation thresholds, simplifying incentive structures, and increasing support for new works, we further expanded the coverage of benefits and enhanced the stability and fairness of incentives. At the same time, we maintain a zero-tolerance policy towards violations such as data manipulation, ensuring the standardised and fair benefit distribution. Furthermore, in terms of writer care, we continue to advance the "Literary Oasis Initiative" and provide timely assistance to contracted writers and their direct relatives facing family hardships due to sudden serious illnesses, accidents, or other unforeseen circumstances through the "Special Fund of Love Relief by China Literature". In 2025, we provided a total of RMB 150,000 for 3 writers in relief support.

2.3 Intellectual Property Protection

Strengthening copyright protection is a key measure for implementing the company's strategic initiatives and ensuring sustainable corporate development. We have established a proactive and efficient anti-piracy system, while setting up a dedicated IP team and a litigation and right protection team at the organisational level. These aim to standardise internal copyright management procedures, enable the legal pursuit of various external infringements to safeguard the legitimate rights and interests of China Literature and our writers. At the same time, China Literature established a joint anti-piracy working group composed of products, technology, legal affairs, content, customer service and other functions, forming a collaborative and coordinated mechanism in technology-driven anti-piracy and infringement governance.

In the application of intelligent anti-piracy technology, China Literature continues to strengthen our technical capabilities, actively exploring pathways for intelligent anti-piracy. By establishing an intelligent anti-piracy middle platform, we integrate technologies such as artificial intelligence, big data analysis, content encryption, and reverse testing. This approach consistently enhances the ability to identify and address piracy, comprehensively fortifies the attack and defence systems, and effectively tackles the long-standing industry problem of automated batch piracy. At the same time, we leveraged a multi-pronged approach through platform complaints, administrative reporting, and judicial channels to conduct systematic campaigns against infringements on pirated platforms, search engines and application markets. By doing so, we have gradually formed an all-around rights protection network encompassing online complaints, administrative enforcement, and judicial remedies, effectively curbing the piracy industry chain and transmission chain. Our intellectual property protection efforts have been highly recognised by governments and judicial authorities. In 2025, the intellectual property protection cases we handled were selected for the "Typical Cases of Intellectual Property Protection by Procuratorial Organs" published by the Supreme People's Procuratorate, the "Top Ten Typical Cases of Intellectual Property Protection in Shanghai 2024" published by the Shanghai Intellectual Property Administration, and the "Typical Cases of Intellectual Property Judicial Protection for Developing New Quality Productive Forces in Shanghai Courts 2024" published by the Shanghai High People's Court. All provide practical experience for anti-piracy and rights protection efforts in the industry.

We have adopted an "Integrated Copyright" management mode, which systematises and digitalises the entire process of copyright signing, authorisation and other procedures, thus improving the efficiency of online literature copyright management and providing online writers and partners with timely and professional legal support and comprehensive copyright services. At the same time, we have deepened cooperation with third-party professional institutions to establish an infringement monitoring and rights protection response mechanism, enabling efficient detection and precise handling of scattered digital content infringement. By the end of 2025, we had registered more than 2,900 registered copyrights and more than 9,100 registered trademarks.

We continue to fulfil our corporate social responsibility by actively participating in industry exchanges and collaborative governance in the field of copyright protection for online literature and digital content. We share practical experience on cutting-edge copyright issues and promote greater attention and consensus across society regarding the protection of original content and the development of legitimate content. In 2025, China Literature was successively invited to participate in the "Knowledge π • Youth Voice" event organised by the Pudong New Area Intellectual Property Office and the thematic forum "Rules and Innovation: Building a New Copyright Ecosystem for the Cultural and Entertainment Industry in the AI Era" hosted by the Beijing Cultural and Entertainment Law Association. The engagements centred on topics such as copyright determination, platform responsibilities, and collaborative governance in the context of AI-generated content (AIGC). Through these platforms, China Literature exchanged views with regulatory authorities, judicial bodies, academic institutions, and industry representatives. Based on practical experience in the field of online literature and AI-assisted creation, China Literature shared insights on the originality standards, property attributes, and copyright protection pathways of AIGC content, providing a reference for exploring copyright governance models and anti-piracy practices in the AI era within the entertainment industry. Looking ahead, China Literature will continue to enhance its expertise in intellectual property protection by engaging in multi-stakeholder exchanges and industry collaboration, actively addressing the challenges posed by technological advancements to IP protection, and contributing to the healthy and orderly development of the digital content industry.



China Literature Participated in the "Regulation and Innovation: Building a New Copyright Ecosystem for Cultural Entertainment in the AI Era" Themed Forum

New Classics Media has also established and clarified protection measures and usage guidelines for intellectual property rights such as trademarks and copyrights, continuously strengthening its intellectual property management system to effectively safeguard the company's intangible assets. Through our official website, we have issued a legal statement clarifying that no entity or individual may use New Classics Media's content and productions in any form without the written permission of New Classics Media. Concurrently, we will rigorously review documents related to copyrights to ensure that all associated works are free from infringement risks. New Classics Media continuously advanced its anti-piracy work before, during and after the release of film and television productions through automated monitoring, manual verification, and voluntary reporting mechanisms. Additionally, New Classics Media has employed technical measures such as blocking pirated links, identifying feature codes, and implementing keyword filtering to effectively safeguard the security of film and television copyrights.

2.4 Response to Users' Feedback

China Literature Limited considers safeguarding users' legitimate rights and enhancing their experience as a key responsibility in platform operations. By continuously improving risk prevention mechanisms and customer service systems, we rely on technology and process optimisation to promptly address user feedback and maintain a healthy and orderly platform ecosystem.

The Group emphasises proactive risk management by combining technological tools with manual supervision to identify and mitigate potential customer complaint risks at the source. In terms of technological risk control, we continue to upgrade the Polaris Real-Time Risk Control Platform, focusing on two key directions: improving the accuracy of risk identification and enriching risk control scenarios. We optimise automated mechanisms for filtering and blocking inappropriate content, strengthen precise interventions against malicious activities such as malicious registration, fake comments, cheating and fraud, and malicious refunds, refine user behaviour credit evaluation and blacklists or whitelists management, and enhance the identification and blocking capabilities for emerging risks such as jailbreaking and malicious plug-in installation. This approach enables us to build a more robust all-around risk prevention network. Regarding manual pre-review, we have formulated and rigorously implemented the Pre-Review System for the Launch of New Product Activities and Features. The legal, public relations, customer service and content review departments have jointly conducted a preliminary review before the launch of new features or activities, so as to predict users' feedback, review the completeness and reasonableness of the relevant instructions, identify and address issues, and prevent potential public opinion fluctuations and customer complaint risks after the launch of new features or activities. This provides solid assurance for the stable operation of our products.

We receive and act on users' feedback to foster a healthy content environment, and improve our systems for reporting illegal and inappropriate information. Users can submit reports through multiple channels, including the complaints hotline (010-59357051), the complaints page (https://jubao.yuewen.com/) and the complaints portal of the function pages. To further enhance feedback management efficiency, the Group centrally manages user feedback through the "Echo Wall" platform. The platform has two major sections, namely "Listen to Users" and "Data Watchtower". It can automatically collect user feedback from multiple channels, push it to relevant business and product research teams, and support task assignment and progress tracking of the feedback issues, forming a closed-loop management mechanism. We will conduct verification and handling of feedback submitted by users through multiple channels and promptly communicate processing results via methods such as SMS and system push. This ensures users' right to information and participation, jointly strengthens the defence line of content governance with users, and deepens the advancement of a healthy content ecosystem.

To enhance the efficiency and quality of user feedback handling, the Group has established a tiered processing workflow involving front-line, second-line, and call-back employee. By clarifying division of responsibilities and cross-tier collaboration, we reduce redundant circulation of issues across channels and enhance the timeliness and effectiveness of issue resolution. For customer complaints with significant impact, we coordinate relevant business departments to collaborate on resolution and conduct post-event reviews and summary to continuously improve internal management and prevent the recurrence of similar incidents.



In 2025, we further introduced and refined AI-enabled self-service and workflow automation. Through model enhancements, scenario-based knowledge base development, and user intent recognition, we improved the self-service system's ability to handle high-frequency and standardised inquiries. This effectively diverted pressure from human customer service, enabling them to focus on more complex issues, elevating both efficiency and service quality. In 2025, we received a total of 124,807 complaints from our customers and achieved a 100% complaint handling rate.

While actively responding to feedback from the customer base, we place high importance on addressing the core needs and creative service experience of the writer community. For the writers' group, we continuously track their key concerns through interviews, regular surveys, customer service feedback and other methods. Focusing on areas such as contracting, support policies, recommendation mechanisms, and data services, we have promoted phased optimisation and upgrading of product capabilities and content guidelines to improve the level of service and the overall satisfaction of writers. In 2025, the satisfaction rate of writers' consultation reached 99.38%.

To continuously enhance the quality of customer service and response efficiency, the Group systematically refines its customer service system across multiple dimensions, including service optimisation, capability building, intelligent upgrades and privacy protection. We regularly analyse and review customer service processes and outcomes, optimise service protocols and workflows, and continuously refine service standards based on user feedback. Meanwhile, we instil a customer-centric mindset in our employees to drive ongoing improvements in service quality. We implement targeted training through a tiered and categorised approach, covering senior executives, middle management, and front-line customer service staff. This strengthens employees' understanding of our policies, business rules, and service requirements, enhances problem-solving capabilities and cross-departmental communication efficiency, and ensures timely and effective responses to various user requests. In 2025, with artificial intelligence technology applied in the customer service domain, the Group conducted specialised training for customer service staff with the theme of "AI-Assisted Efficient Handling of Customer Complaints". This training was designed to help customer service staff better utilise intelligent tools to enhance response efficiency and improve the effectiveness and service warmth in resolving user issues. Simultaneously, throughout the process of handling user feedback, we adhere to the principles of privacy protection by implementing tiered management of customer service personnel's access to users' information. All on-duty customer service staff are required to sign a non-disclosure agreement to safeguard the security of users' personal information and data. In 2025, the satisfaction rate for human customer service reached 98.50%.

Given that our core business consists of the operation of online literature platforms, provision of literary content and production of films and TV series, there have been no product recall incidents due to safety and health reasons.

3. Care for Employee Growth

3.1 Employment and Labour Standards

3.1.1 Recruitment and Departure

To standardise enterprise employment management and protect the legitimate rights and interests of workers, the Group's routine employment management practices comply with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Provisions on Prohibition of Child Labour and other applicable laws and regulations (including but not limited to those which prohibit child and forced labour). During recruitment, we consistently adhere to principles such as open recruitment, fair competition, comprehensive evaluation, and merit-based admission. We conduct comprehensive evaluations of each candidate's educational background, work experience, and professional qualifications. Additionally, we have formulated the Staff Manual to standardise employment practices. In daily work and every process of recruitment, we uphold the principle of equality, strictly respect and protect human rights, and do not discriminate against anyone on the grounds of gender, educational background, age, marital status, ethnicity, race, geographical identity, nationality, political affiliation, religious belief, disability or physical disorder, etc. At the end of 2025, we employed a total of 1,703 people, all of whom are full-time employees.

Employee structure		2025 (person)
Total employees		1,703
By gender	Female	942
	Male	761
By age group	<30	462
	30-39	1,005
	40-49	223
	≥50	13
By geography	Chinese Mainland	1,683
	Hong Kong, Macao and Taiwan	3
	Overseas	17

In 2025, China Literature continued to deepen its efforts in employer brand building. We were recognised as the "Best Employers 2025" at the HRoot Awards 2025, which is one of the most authoritative recognitions in the human resources field. This award focuses on recognising enterprises that demonstrate foresight, leadership, innovation, and practicality in corporate management and human resource practices. It serves as both professional affirmation of the Group's human resource management practices and a testament to its leadership value within the industry.



Best Employers 2025

Case:

China Literature Talent Scout Award

To further strengthen talent pipeline development and invigorate the organisation, China Literature launched the "Talent Scout Award" internal referral incentive program in 2025. This initiative encourages every member of China Literature to become a "talent scout" to identify and recommend outstanding talents to join in China Literature.



China Literature Campus Talent Scout and Internal Referral Initiative

We formulate demission (including resignation and dismissal) procedures in accordance with labour contracts and relevant laws and regulations. When employees leave, we conduct interviews with them to understand the reasons for leaving and obtain suggestions for improvement in the Company.

Employee turnover rate		2025
Total turnover rate		19.51%
By gender	Female	20.00%
	Male	18.90%
By age group	<30	29.69%
	30-39	16.38%
	40-49	8.33%
	≥50	23.08%
By geography	Chinese Mainland	19.64%
	Hong Kong, Macao and Taiwan	18.18%
	Overseas	6.45%

Notes:

(1) Employee turnover rate = number of employees leaving in the reporting year * 2/(number of employees at the beginning of the reporting year + number of employees at the end of the reporting year)

(2) The statistical scope of the number of separations includes employees who voluntarily quit or terminate their employment due to dismissal, retirement or death.

3.1.2 Labour Standards

We strictly abide by the Regulations on the Prohibition of Child Labour and other relevant laws and regulations, and firmly prohibit the use of child labour and forced labour. We strictly control the recruitment process to avoid misrecruitment of child labour. Upon discovery of any misuse of child labour, we will strictly adhere to laws and regulations, immediately terminate the employment contracts, and handle all subsequent matters in accordance with legal requirements.

3.1.3 Promotion and Career Development

The Group values employees' individual career development and integrates this into the overall corporate growth strategy. The Group has established dual career advancement paths in professional and managerial tracks, forming a comprehensive career development framework. Whether employees seek growth in their professional expertise or take on leadership roles in organisational management, clear development pathways are available to them. In terms of talent identification, beyond regular professional and managerial promotions, individuals who demonstrate outstanding performance and make significant contributions to company-level strategic projects, as well as core talent required for key organisational positions, are eligible for exceptional promotion opportunities. This mechanism institutionally ensures that core talents with great potential, strong execution capabilities, and irreplaceable value can be rapidly identified and promoted, thereby strengthening the organisation's talent foundation.

Meanwhile, we encourage all employees to enhance their professional qualifications by obtaining relevant professional qualification certificates. For employees who register for the Professional Qualifications of Technicians in the Publication Profession ("Editor Certificate"), we reimburse expenses related to assessments, in-person training, textbooks, and annual continuing education, and offer cash subsidies to those who obtain the Editor Certificate, thereby motivating employees to continuously enhance their professional skills, facilitating the advancement of employees' professional capabilities, and reinforcing the foundation of the company's professional service competencies to drive high-quality business growth.

3.1.4 Compensation and Benefits

Focused on the goal of motivating and retaining high-quality talent, we provide competitive compensation packages to attract top talent and retain our core workforce. China Literature directly links employee performance to bonuses, fully leveraging the guiding role of compensation incentives. This effectively ensures positive reinforcement for employees with high performance and stimulates their intrinsic motivation.

In terms of employee benefits, we offer commercial health and accident insurance to every full-time employee and their children apart from basic social insurance. In daily work, we show our care for the well-being of our employees by various means, including offering various welfare subsidies, festival gifts or bonuses, as well as extending heartfelt congratulations during significant milestones such as marriage or childbirth. In addition to arranging regular physical examination for employees, we provide annual medical check-ups for parents of employees who serve for more than three years. In addition, in 2025, we launched diverse and heartwarming exclusive welfare activities for employees, comprehensively enhancing team cohesion and unity.

Case: **"In Yuewen, Just Try It" Female Employee Care Program**

During the Women's Day in 2025, we organised holiday activities centred around the theme "In Yuewen, Just Try It" for female employees. We distributed gifts such as sun hats, sun-protection masks, and arm sleeves to show care, aiming to enhance their professional well-being and sense of belonging within the team.





In Yuewen, Just Try It

Case: **"Healthy Teeth, Charming Smiles" Employee Children's Dental Care Program**

In 2025, on the occasion of International Children's Day, we launched the themed welfare activity "Healthy Teeth, Charming Smiles" for employees with children aged 14 and below. Eligible employees in Shanghai, Beijing, and Shenzhen were provided with children's sonic electric toothbrushes. This initiative conveys heartfelt care for employees' families and exemplifies China Literature's dedication to fostering employee well-being and practicing its sustainability philosophy.



Healthy Teeth, Charming Smiles

Case: **"Meeting Great Stories in Literature" Mid-Autumn Festival Employee Benefit Activity**

In 2025, to deepen employee care and convey cultural values, China Literature launched the holiday welfare initiative themed "Meeting Great Stories in Literature" during the Mid-Autumn Festival period. This event, in collaboration with Guangzhou Restaurant, combined century-old culinary craftsmanship with China Literature's IP characters to custom-design eight limited-edition mooncake gift boxes featuring flavours inspired by these IPs. The initiative conveys the beautiful message of "unfolding a book under the moonlight and appreciating the enduring literary heritage", offering employees and their families a gift that blends cultural depth with warmth, allowing them to celebrate the festival of reunion together. This customised welfare activity not only enhanced employees' sense of identity and belonging to the company's IP culture but also demonstrated China Literature's commitment to humanistic care and cultural value transmission.







Gifts for the Mid-Autumn Festival

In 2025, New Classics Media continued to refine its employee welfare and care programs, meticulously designing and implementing diversified welfare initiatives and exclusive benefits for employees. In daily operations, New Classics Media regularly offers exclusive welfare activities for employees while also organising employee participation in benefit programs coordinated by local street labour unions. These initiatives cover practical entitlements such as video streaming memberships, car wash coupons, and haircut vouchers, effectively enhancing the quality and convenience of employees' daily lives. On the occasion of International Women's Day, we meticulously planned special interactive experiences such as glass painting DIY and wool felting activities, creating dedicated leisure and relaxation moments for female employees and conveying heartfelt, exclusive care. During the Mid-Autumn Festival, all employees received exclusive holiday benefits in the form of Mid-Autumn Festival cards, sincerely conveying warm wishes for family reunion. Additionally, customised anniversary benefits were provided to employees celebrating their work anniversaries, expressing gratitude for their unwavering companionship and dedicated contributions, thereby further deepening their sense of belonging, identity and happiness.

3.1.5 Working Hours and Holidays

We strictly comply with all related laws & regulations on working hours and holidays. We encourage employees to reasonably plan their work pace, avoid overtime work during holidays or weekdays, and support the maintenance of a good work-life balance. This ensures employees' physical and mental health while strictly preventing forced labour. In 2025, we took flexibility further by promoting work-from-home and flexible attendance systems, alongside a targeted support protocol for extreme weather events. Employees based in Beijing have already benefited from three occasions, where they tailor their work mode and hours to business demands, personal needs and external factors. In addition to enjoying statutory leaves and holidays (including annual leave, personal leave, marriage leave, funeral leave, maternity leave, paternity leave, parental leave, sick leave, etc.), employees are also eligible for additional company-provided annual leave based on their length of service. In addition, upon approval through internal procedures, employees' overtime hours entitle them to compensatory leave and corresponding subsidies in accordance with laws and regulations, ensuring their labour rights are fully protected.

3.1.6 Employee Communication and Engagement

We attach importance to employee satisfaction and continuously improve our diversified communication channels, respecting reasonable opinions and suggestions of employees that contribute to the company's development. By establishing core communication platforms such as annual company gatherings and Lexiang Employee Communication Community for employees and management, we encourage employees to speak freely, accurately convey and deepen corporate strategy and cultural values, and foster an atmosphere of equal, candid, and efficient collaborative communication.

We focus on nurturing organisational culture and enhancing talent value, and are committed to creating a knowledge-sharing environment and diversified development space for growth together, providing employees with an open, inclusive working environment and a positive growth platform, activating organisational vitality and individual potential, and achieving mutual growth for both the company and its employees. In 2025, we carried out diverse employee cultural activities, including the "Good Stories Illuminate the Young Hearts" China Literature 10th Anniversary Celebration and Employee Conference.

Case: **Good Stories Illuminate the Young Hearts – The 10th Anniversary Celebration & Employee Conference of China Literature**

In 2025, to strengthen team cohesion and communicate the Group's core development philosophy, we held a distinctive event to celebrate our 10th anniversary. The event unfolded our decade-long journey through integrated conference and annual gala segments from a "grassroots startup" to a diversified cultural industry group with full-link IP development capabilities, bringing together over 1,000 employees on-site and more than 700 online. This event reinforced employees' sense of identity and collective belonging shaped by the Group's ten-year development. By framing our growth within the broader narrative of cultural industry evolution, the event also served as a practical exercise in strengthening organisational cohesion and transmitting cultural values–aligning with our commitment to social responsibility under the ESG framework. It is a meaningful effort by the Group to deepen employee connections and enrich corporate culture at a key developmental milestone.





The 10th Anniversary Celebration & Employee Conference

Case:

Diverse Cultural Engagement Series of China Literature

In 2025, to deepen the connection between employees and business while strengthening organisational cohesion, we carried out a series of distinctive cultural activities. These included the Book Fans Festival on 15 May, the Programmer's Day on 24 October, AI-powered animation showcases, and the China Literature Bole Awards. The Programmer's Day celebrations, for example, featured online tech-themed photo-log (Plog) sharing, offline garden parties in Shanghai and Beijing with engaging activities like code-themed handicrafts and arrow tossing, and the distribution of customised gifts to express our caring for the technical teams. Grounded in our business ecosystem, these activities covered areas including IP operations and employee caring, creating platforms for employees to connect with our business and uphold our corporate culture. They represented a tangible implementation of our ESG commitment to advance organisational culture and foster synergy between employee values and corporate development.



Blending Business with Culture: A Diverse Engagement Series

3.2 Health and Safety

We prioritise the health and safety of our employees in our operations. In strict compliance with all applicable laws and regulations on safety and health including the Law of the People's Republic of China on Prevention and Control of Occupational Diseases, as well as internal systems such as the Fire Prevention Management System, the Environmental Standards Management System, and the Emergency Response Plan of China Literature, we strive to continuously improve the working environment and effectively safeguard the personal safety and physical and mental health of our employees. From 2020 to 2025, there were no work-related fatalities among our employees at China Literature. The lost days due to work injury were zero in 2025.

We continuously enhance safety management across our office locations. Our well-established security and fire prevention systems are maintained through regular fire safety inspections by fire-fighting administrators, enabling timely rectification of any potential hazards. We also organise training events to reinforce fire-fighting knowledge and skills, and conduct comprehensive fire drills, thereby safeguarding employees' lives and the Group's property. In 2025, we conducted fire drills at our office locations in Shanghai and Beijing. Through enhanced fire safety education, we aimed to raise employees' awareness of fire safety. During these onsite events, firefighters provided safety briefings and hands-on guidance for using fire extinguishers and fire hoses. They introduced the "Pull-Aim-Squeeze-Sweep" method for using fire extinguishers and evacuation procedures. The drills also featured simulated scenarios including fire alarm activation, initial fire suppression and full-scale evacuation, and checks for clear fire exits and functional safety equipment.



Fire Drill

Moreover, we introduced professional first-aid training resources. In 2025, we conducted three certified Primedic first-aid training courses in Shanghai and Beijing, covering 79 employees. Delivered through an offline, centralised instruction format of "theoretical learning + practical exercises + assessment", the courses equipped employees with basic emergency response capabilities including cardiac arrest response, Cardiopulmonary Resuscitation (CPR), Automated External Defibrillator (AED) operation, airway obstruction relief, and wound dressing, enabling them to master basic capabilities for responding to sudden health incidents.



First-aid Training

To safeguard employee health and create a safe, healthy, and comfortable workplace, we optimise the working environment under specialised standards, providing comprehensive care for employees' physical and mental well-being. Our office areas are uniformly equipped with air purifiers and air quality monitors, while conference rooms are fitted with exhaust ventilation systems. We conduct comprehensive air sterilisation monthly to eliminate bacteria, viruses, and other harmful microorganisms in the air, ensuring clean and well-circulated indoor air. We monitor and maintain the office environment through regular testing of air quality and drinking water quality in the workplace. For any parameter fails to meet standards, we promptly develop targeted improvement plans and rigorously implement corrective actions, followed by re-inspections. In parallel, we conduct routine operation maintenance and management of equipment and facilities including air conditioning, fresh air equipment, lights, and water dispensers. This ensures that workplace environmental indicators–such as air quality, drinking water safety, lighting adequacy, and noise levels–comply with healthy office standards, thereby safeguarding a healthy working environment.



Air Purifiers



Air Quality Monitors

In terms of hardware facilities, the office areas are uniformly equipped with ergonomic chairs to help employees keep proper posture and reduce eye strain. Relaxation spaces are arranged across all floors, including a riverside discussion area, the rooftop "Yuexing Platform(閱星台)," and audio-visual leisure zones. All these create pleasant spaces for employees to unwind. The gym is furnished with imported fitness equipment and professional trainers, not only helping employees strengthen their physiques and alleviate work-related stress but also effectively fostering team interaction and cohesion. Beyond annual physical examinations, we also organise a variety of health promotion activities. In 2025, we launched a weight-loss challenge, in which 87 employees participated by conducting fitness activities during their spare time. After 49 days of consistent effort, they achieved a collective weight loss of 191.3 kilograms, averaging 4.3 kilograms per participant. This initiative helped employees improve their physical condition and engage in their work with renewed energy and focus.



Yuexing Platform



Office Gym

Regarding employee psychological well-being, we optimised the service system of the "Wenxin Inn (文心客棧)" Employee Assistance Program (EAP). Launched in December 2019, the program has been operating stably for six years. Through multiple channels including the 400-620-1800 physical and psychological counselling hotline, the stress relief room in the Shanghai office, and regular online and offline psychological workshops and thematic activities, it comprehensively addresses employees' needs for physical and mental well-being. In 2025, considering the work nature of our content review and customer service team, we designed a specialised course on emotional stress management. The course attracted 115 participants on-site and 40 online, achieving 98.54% overall satisfaction among the content review and customer service team, with 100% satisfaction regarding course content. More specifically, 94% of the participants reported that the course offered practical benefits for their work and personal lives. This targeted service addressed the stress-relief needs of employees in core positions, representing our concrete efforts to safeguard employee welfare under the ESG framework and to upgrade our tiered and categorised health care system.



Wenxin Inn

In 2025, to safeguard the health and safety of our employees and fellow film crew members, New Classics Media implemented health and safety management measures. For one thing, we organised voluntary influenza vaccination for employees, specifying the locations, registration procedures, and health considerations. We also detailed the pre- and post-vaccination notifications, observation requirements, and contraindications, providing proactive health protection. For another, during periods affected by large-scale events, we issued timely notices clarifying standard attendance policies while offering work-from-home options for employees affected by commuting disruptions and providing on-site facilities for viewing event broadcasts. By doing so, we balanced operational continuity with employee commuting. New Classics Media also strictly implemented the Regulations on Production Safety Management of Film Crew. We set up safety officers and assigned professional medical staff on-site, and formulated safety management rules for special operations. Also, New Classics Media educated crew members on safety before filming, required relevant personnel to sign safety commitments, and purchased personal accident insurance for crew members. We required relevant crew members to live in concentrated areas for closed management and regularly checked sources of purchased goods. We established an early warning mechanism for extreme weather and promptly issued warning notifications to ensure safety at both production sites and office premises.

3.3 Employee Training

Enhancement of employees' professional capabilities underpins our development. We prioritise employee development and have formulated the Training Management System of China Literature. We also invest substantial resources and efforts to create diverse internal and external training opportunities, encouraging employees to involve in these training sessions taking their actual needs into consideration. By allocating training funds and resources in a uniform manner based on clear rules regarding training expenses and budgets, we are able to provide strong financial support for organising activities including in-house learning, lectures given by external experts and assignment training.

China Literature Academy upholds the slogan "Learning to be a better self". On one hand, we continuously engage external experts to deliver instruction, while on the other, we optimise the development of our internal trainer team. We maintain a comprehensive employee training system that offers a variety of courses focused on both professional skills and personal competencies, catering to employees' growth needs at different career stages. We maintain a hybrid offline & online model and regularly conduct training sessions. These include the China Literature Grand Lecture Hall, induction training, specialised training, general training, management training, and information security training. We regularly conduct online live classes for employees and provide rich learning resources on the online learning platform, so that employees can engage in self-directed learning according to their needs, to comprehensively improve their professional ability and comprehensive quality.



Employee Training System

China Literature Grand Lecture Hall: As the central platform for knowledge sharing across the IP value chain, the China Literature Grand Lecture Hall continued in 2025 to focus on content innovation and IP value expansion. Centred on cross-format IP development and ecosystem extension, we launched several thematic sharing activities, such as discussions on animation frontiers ("Bring Good Stories to Life"), analysis of IP ecosystems such as "Spirit Cage" (《靈籠》) and "Guardians of the Dafeng" (《大奉打更人》), explorations of immersive "IP × Technology × Offline" experiences, insights into the creation trends of hit short-dramas, and AI-empowered content production. Aligned with industry trends and practical needs, these activities serve as a bridge for exchanging industry knowledge and hands-on experience, helping employees understand full-chain IP operations and develop business expertise.



China Literature Grand Lecture Hall

Induction Training: To help new employees quickly integrate into the organisation and familiarise themselves with China Literature's culture and policies, we optimise the induction training program. The 4th Session of 2025 Induction Training, themed "New Joiners of China Literature, Welcome Onboard!", adopted a blended model of online learning and offline practicing. This comprised one week of mandatory online prerequisite courses covering critical topics such as red line provisions, legal policies, financial reimbursement, and public relations. The subsequent offline segment focused on cultural understanding, business comprehension, and team integration. It featured thematic presentations such as "This is China Literature", "The World of China Literature Brands", and "The History of Online Literature." These presentations were accompanied by interactive activities such as team communication, guided tours of the China Literature's IP exhibition, and knowledge contests. This integrated structure enabled new employees to understand corporate culture, business operation and governance framework, and to quickly engage with fellow colleagues, supporting a smooth transition into their roles.



New Employee Training

Specialised Training: Aligned with employees' competencies and business development objectives, we deliver targeted training programs to support capabilities progression and career development for specialised talents. In 2025, we implemented a series of thematic training sessions centred on key frontiers within our core business areas. The "AI Navigator Series" covered topics including AI applications in film and television IP content, AI industry guidelines and product practices, innovations and commercial applications of the large language model Qwen, content growth helpers from DeepSeek to Manus, and the utilisation of AI-powered office tools. The series combined internal team experience sharing with lectures given by external experts and was delivered in a hybrid format (onsite in Shanghai with online access for other locations), enabling employees to understand AI applications in business scenarios. We also launched the "New Media Top Player Series," focusing on practical skills such as short video and live streaming operations, IP account development, and marketing strategies. Following industry innovation trends and business requirements, these sessions equipped employees with enhanced competencies, cultivating talents for our business innovation and expansion.





AI Navigator Series





Top Player Series

General Training: Leveraging the China Literature Academy, we have established a system for general training. It is designed to align with practical business needs and the holistic competency development of our employees. Focusing on core areas including IP operations, professional skills, critical thinking and communication, and product design, we have delivered many tailored training courses as follows.

IP Ecosystem

– Equip employees with the core logic of IP operations in the youth-oriented consumer market. Courses include:

- Strategies for Breaking Barriers in IP Collaborations
- Building Leading Titles in Chinese Animation
- In an Era of Universal Collaborations: How Web Novel IP Claims Its Place

Professional Skills

– Equip employees with practical methods for real-world scenarios. Courses include:

- "Magician" and "Alchemy" of Game Operations
- Production of Vertical-Screen Short Dramas
- Hard Skills Development: Moving Beyond Superficial Presentations
- Scenario First: Product Design Through a User-Centric Lens and Case Studies
- Secrets in Live Streaming: From Nervous Beginner to Viral Success

Risk and Compliance

– Strengthen employee awareness of public sentiment management and content security. Courses include:

- Prevention of Public Sentiment Escalation: Public Relations & Content Security

Focused Thinking and General Capabilities

– Enable employees to stay abreast of industry trends and enhance cognition.

- Courses include Thinking and Expression in Work and Life and Decision-Making and Cognition in the Workplace, featuring practical methods for communication and decision-making shared by our internal senior instructors.
- Discussions on Social Sentiment and Insights into Communication Trends
- 'Disenchantment' and 'Re-enchantment' of Advertising
- Inside the World of Fan Communities.





Curated Courses

Management Training: To improve the effectiveness of the management team and align with China Literature's development strategy, we convened a High-Level Leadership Conference in 2025. We remain focused on upgrading management capabilities and leadership, organising targeted courses in these two respects. The courses are closely aligned with our business development needs and current management status, aiming to assist management cadres in overcoming management challenges and shaping outstanding leadership in a targeted manner. For newly promoted management cadres, we have specifically developed the "Fundamental Leadership Course", which provides in-depth instruction from multiple dimensions, including basic concepts, practical tools, and

analysis of classic case studies. This course helps employees smoothly transit from executors to managers and enhances their management capabilities. In addition, we have also launched advanced leadership courses to further assist management cadres in expanding their management horizons, optimising management methodologies, and comprehensively improving their management effectiveness, thereby providing robust support for the Company's steady growth.

Information Security Training: We regard information security as a pillar for stable operations and have further implemented our information security training system. In 2025, we launched a mandatory security course series for all employees. The courses focused on core content such as information security protocols and risk avoidance. Progress was tracked through analytics: all participants completed the courses as required, with learning hours meeting the standard and status marked as "Completed". This ensured full coverage and timeliness of the training, helping employees strengthen their awareness of information security, clarifying operational standards, and fortifying the corporate-wide foundation for information security protection.

Employee training		Percentage of employees trained	Average training hours completed per employee (hours/person)
By gender	Female	72.51%	10.04
	Male	85.41%	11.72
By job level	Senior management	74.07%	28.78
	Mid-level management	71.59%	30.20
	Grassroots	78.72%	9.41

Notes:

(1) Training data is derived from internal training files and includes only online or offline training conducted by Group-level organisations.

(2) Percentage of employees trained= number of employees in the category trained in the reporting period/total number of employees in that category*100%

(3) Average number of hours trained per employee = Total number of hours trained for employees of that category in the reporting period/total number of employees in that category

New Classics Media encourages its business teams to participate in industry-specific training and advanced study programs, with a focus on understanding content creation directions and industry development trends. In 2025, New Classics Media organised relevant personnel to attend the 9th session of the "Thousand Talents Training Program on Building Discourse and Narrative Systems with Chinese Characteristics". The aim was to equip them with a deep understanding of the contemporary essence and core requirements of cultural communication. Additionally, we selected a team of key business personnel to participate in the "TV Series (Web Series) Topic Planning Training Program" organised by the Television Department of the National Radio and Television Administration. Through systematic learning of industry policies, participation in thematic seminars, observation of excellent series, symposiums, and activities like the "Micro Forum on Producing Quality TV Series", the team gained a clearer view of the key steps in topic planning and content creation. These industry-based training and study programs have helped our employees better understand industry policies and development trends, accumulating practical experience for the creation of quality content and the expansion of the IP ecosystem.

4. Compliant Operation

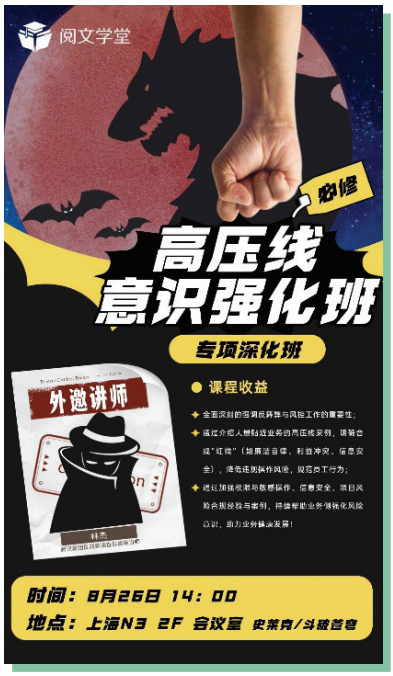
4.1 Business Ethics Management

Guided by the core principles of compliant operation and integrity-based governance, we implement the strictest laws and ethical standards throughout the operation. We comply with the Anti-Unfair Competition Law of the People's Republic of China, the Company Law of the People's Republic of China and other applicable laws and regulations combating bribery, extortion, fraud and money laundering, and adopt an attitude of zero tolerance in relation to corruption in any form. To fortify the anti-corruption and compliance safeguards, we have established an internal framework of systems including the Anti-Fraud Reporting System of China Literature Limited, the Risk Management and Internal Control Policy and the Employee Declaration System of China Literature Limited. In 2025, we completed the revision of the Sunshine Code of Conduct for Management Standards of China Literature Limited (formerly the Code of Conduct for Red Line Behaviours of China Literature Limited). This creates a solid anti-corruption protection mechanism to combat fraud and ensure operational compliance strictly. Regarding antitrust compliance management, we have set up an in-house antitrust legal officer to be responsible for the Group's antitrust compliance, to follow up on the introduction, revision, and updates of antitrust laws and regulations, and to strengthen antitrust compliance awareness within the corporate. In 2025, there were no concluded corruption litigation cases.

For risk control and compliance management, we have established a risk control framework comprising three lines of defence formed by business units, internal control, and internal audit. Actions such as falsification, embezzlement and bribery, violations of laws and discipline, information security breaches, and the disclosure of confidential information, as well as any behaviour that damages the interests of the Group and its employees, are regarded as red line violations. Once such violations are detected, the employment contract with the employee involved will be directly terminated. If the activity violates any relevant laws or regulations and meets the standard of case filing, the employee shall be transferred to the judicial department. We conduct internal audits each year to assess whether there is any risk of fraud in operations and formulate specific audit procedures to test for fraud. Any indications of corruption trigger immediate, further audit procedures for in-depth investigation. New Classics Media has established ethical compliance clauses for artists, requiring them to strictly adhere to the Measures for the Self-Discipline Management of Practitioners in the Performing Industry (Trial). This aims to urge artists to adhere to social ethics and professional morality, and to consciously maintain a healthy public image.

We handle reported violations in accordance with the Sunshine Code of Conduct for Management Standards of China Literature Limited and other relevant regulations. For actions that constitute criminal offences, legal procedures will be initiated accordingly. In addition, we have set up a special whistleblowing system and provide multiple whistleblowing channels and the ways how we should deal with such concerns. We also encourage employees to lodge reports on any suspected breach of the red line and secure the complete confidentiality of reported content and the identity of the whistle-blowers.

Each year, we distribute training materials to Directors relating to corporate governance, functions and duties of directors, listing rules and other regulations, ensuring that they are aware of their duties, understand regulatory requirements, and fulfil their obligations. Meanwhile, to solidify the baseline of compliance for all employees and strengthen anti-fraud and risk control awareness, we have established an anti-fraud training framework for all employees, with a particular emphasis on the risk control system, red line provisions, employee reporting system, and information security. We continuously optimise training materials and regularly conduct anti-corruption training for all employees. In 2025, we carried out specialised red line training for key business departments, with approximately 180 participants, enhancing employees' capabilities in combating fraud and preventing risks. Furthermore, anti-fraud awareness initiatives have been incorporated as mandatory content in induction training. All new hires are required to complete the mandatory course of Red-Line Awareness Enhancement Workshop as stipulated. Building on this, we actively explore more engaging formats for awareness raising. In December 2025, we hosted "IC DAY", an internal control and cybersecurity awareness event. Combining online quizzes with offline games, the event integrated compliance requirements with daily work scenarios, guiding employees to deepen their understanding of compliance baselines and behavioural standards through enjoyable games, thereby increasing communication effectiveness and employee engagement. The event was attended by 583 employees online and 390 onsite.



Red-line Awareness Enhancement Workshop

4.2 Digital Security Management

We are committed to safeguarding user privacy and data security, attaching great importance to cybersecurity and information protection, and strictly complying with all laws and regulations regarding user privacy and data security in the locations where we operate. For cybersecurity and data compliance management, we have formulated management systems such as the Management System on Cybersecurity, the Administrative System for Cybersecurity Inspection, the Third-Party Data Compliance Management System, the Management Specifications for Users' Personal Information, and the Data Security Management System to ensure the stability and reliability of the network system.

At the organisational level, we have established a cybersecurity management system comprising the highest management, Compliance Management Committee, and a cybersecurity inspection team. This structure maintains cybersecurity across leadership, management, and inspection levels. Additionally, we established a Cybersecurity Emergency Response Team, which possesses key functions such as content compliance, cybersecurity, and data compliance. Its main responsibilities include standardising the overall content review system, building a review platform, ensuring system security and software compliance, developing cybersecurity inspection plans and institutional frameworks for the company, conducting data security audits, and organising data security management and personal information protection initiatives.



Highest Management:

The highest management is the primary leader for cybersecurity management, which takes full responsibility for controlling the direction of the Company's cybersecurity management.



Compliance Management Committee:

The Compliance Management Committee, led by the General Manager's Office and composed of main heads of relevant departments, is responsible for guiding the Company's cybersecurity management and ensuring that no significant cybersecurity accidents occur while safeguarding the smooth operation of each line of business.



Cybersecurity Inspection Team:

The technology, risk control and public affairs departments jointly established the cybersecurity inspection team, which is responsible for formulating security management specifications, controlling cybersecurity management risks, implementing cybersecurity inspections, and supervising the rectification of the Company's cybersecurity problems.

Cybersecurity Management Structure

Cybersecurity protection

In 2025, we conducted more than 16 cybersecurity inspections, expanding the scope and intensity to cover both core and supporting products including Qidian Chinese Network, xxsy.net, Qidian Reading, QQ Reading, and Author Zone. The inspections adopt a combined model of regular self-inspections by technical departments, cross-departmental joint inspections, and special inspections. They cover the construction of organisational and management systems, the implementation, supervision and inspection of regulations and policies, network and application system security, desktop office system security, control over operational environment and technical security, etc., which enables us to fully supervise and efficiently manage current cybersecurity status to timely identify technical security hazards and take appropriate action.

We engage external parties to conduct information security reviews at least once a year. Our major information systems have all passed the classified cybersecurity protection assessment and the data security circulation protection assessment conducted by the public security organ. The cybersecurity classified protection certifications obtained cover more than 90% of our own products on platforms. Our main products are all offered through cloud-based service platforms with ISO 27001 certification.



Cybersecurity Inspection Mechanism

To strengthen our capabilities in preventing and responding to network emergencies, we have formulated and updated the Emergency Plan for Cybersecurity Incidents of China Literature Limited by focusing on the levels of organisational system, prevention and early warning, emergency response, post-disposal and emergency security. We have also updated the process related to information about product responsible personnel in the plan. This further improves the capability of prevention and control of data leakage, network attacks and other network emergencies and minimises the harm and impact of emergencies. We regularly conduct cybersecurity emergency drills to simulate the entire process of a cybersecurity incident including detection and assessment, response, information notification, emergency response, problem eradication, recovery and reconstruction, investigation and continuous improvement. We did this to enhance the emergency response capability and speed of relevant departments, get prepared to respond to emergency incidents in a better way as for involved personnel, equipment, technology, etc., optimise the emergency response process and improve employees' cybersecurity awareness. In 2025, we actively participated in "Operation Bedrock（磐石行動）", the 2025 Shanghai Cybersecurity Offense-Defence Exercise in Industrial and Information Sectors organised by the Shanghai Communications Administration. The event focused on phishing prevention, extortion defence, and AI security protection, strengthening our cybersecurity protection capabilities and solidifying our data security safeguards.

Privacy protection

In 2025, we continued to optimise and update our policy system for privacy protection, including the Qidian Reading Privacy Policy, the Writer Assistant Privacy Policy, and the privacy policies for overseas users. Using concise and clear language, we publish our privacy protection policies on the official websites and applications of relevant products, making clear to users the purpose, manner, and scope of personal information collection. Through prominent notices such as pop-up windows, we prompt users to review the privacy policies and information collection and usage rules, fully safeguarding users' right to be informed and their right to choose. We also provide users with convenient functions to correct or delete their personal information, respond to users' corresponding operations in a timely manner, establish and publish complaint channels about personal information security, and complete verification and processing within the promised time frame.

We incorporate regulatory requirements on privacy protection into our internal compliance policies and make every effort to protect users' personal information through reasonable and effective information security technology and management processes. Furthermore, we incorporate the concept of privacy protection into all stages of product or service development, including legal, product and design factors, and implement internal hierarchical control of permissions to protect user information throughout the process of information collection, transmission, storage, display and access. User information is encrypted in all online interaction scenarios.

We collect only necessary information from users and retain it only for as long as it is required for intended use and delete or anonymise their personal information as soon as practicable. Moreover, without users' permission, we are not allowed to disclose their personal information to any company, organisation and individual other than China Literature, and we are also not permitted to make public or give away any third parties' access to private information and material that users have stored in our platforms, servers or databases for their use of network services.

New Classics Media has established a series of privacy protection clauses to safeguard the privacy rights and interests of artists. These clauses clearly define the responsibilities and obligations of both the artists and the project parties. By signing artist privacy protection clauses, New Classics Media ensures that the personal information, image, reputation, and privacy of artists are protected and prevents the misuse of artists' personal information for improper publicity activities.

Cyber Protection of Minors

We pay great attention to the protection of information of underage users and call on guardians and schools to provide proper guidance and work with us to create a safe and healthy online environment for minors. In 2025, China Literature released the 2025 Social Responsibility Report on Cyber Protection of Minors. By implementing a series of measures in this respect, we fulfil our responsibility as a platform operator and undertake the mission of protecting minors online, with the aim to cultivate a civilised, healthy, safe, and harmonious online environment and support the healthy growth of minors.

Measures for Cyber Protection of Minors

Dedicated Content Pool

- Established a content pool exclusively for teenagers, featuring a curated selection of high-quality books suitable for young readers.
- Implemented an age-selection function to provide age-appropriate, high-quality content tailored to the developmental needs of different teenage user groups.

Long-term Governance

- Strictly controlled content distribution in key fields to prevent exposure to inappropriate information.
- Focused content auditing on prevalent issues to suppress harmful information.
- Responded to and implemented the requirements of regulatory campaigns, such as the "Clear Action · 2025 Summer Online Environment Purification for Minors" initiative launched by the Cyberspace Administration of China.

Intelligent Safeguards

- Upgraded the teenager mode across multiple platforms to impose strict limits on the display of commercial advertisements.
- Enforced time and spending limits and disabled access to non-recommended scenarios such as games.
- Optimised algorithms to ensure that all pages and functional modules display only information from the dedicated content pool.
- Embraced new technologies to realise system-level protection. For example, QQ Reading on HarmonyOS has integrated the operating system's "Minor Mode."



2025 Social Responsibility Report on Cyber Protection of Minors

Case: **"Clear Cyberspace • IP Adventure" China Literature Open Day**

On 29 March 2025, China Literature hosted an Open Day event centred on our IP portfolio, themed cyber protection of minors. We invited experts in cyber governance and youth protection as special guests to engage in face-to-face exchanges with participating teenagers, university students, and parents. The event aimed to enhance adolescence's cybersecurity awareness and foster a shared commitment to safeguarding a healthy and positive online environment.



"Clear Cyberspace • IP Adventure" China Literature Open Day

AI Security Governance

In 2025, China Literature continued to empower the IP ecosystem with AI technology, upgrading multiple AI applications including "Miaobi Tongjian(妙筆通鑒)", "Copyright Assistant", and "Animation Assistant". These tools provide support across key stages of the IP lifecycle, including creation assistance, copyright development, and comic adaptation. To keep up with the development of AI technology, protect users' legitimate rights and interests, and strengthen cybersecurity resilience, we have established and implemented a comprehensive AI application governance framework. This imposes strict compliance control on the use of AI technology by standardising full-process management and refining review criteria.

Algorithm Security Self-Assessment System	Clarify the security requirements, assessment methods, and safeguarding measures for algorithms at each stage from design and development to decommissioning.
Algorithm Security Monitoring System	Clarify the workflows for information security monitoring, data security monitoring, user personal information security monitoring, and algorithm security monitoring. It establishes public complaint and reporting channels regarding deep synthesis content.
Technology Ethics Review System	Clarify the responsibilities, methods, content, supervision mechanisms, corrective actions, and penalties for violations related to technology ethics reviews. It covers all technology activities within the Group involving artificial intelligence, data processing, and algorithm research and development. A Technology Ethics Review Committee has been established to conduct these reviews.
Algorithm Security Incident Emergency Response System	Clarify algorithm security incidents and establish emergency response procedures, including incident confirmation and assessment, designation of responsible personnel, implementation of emergency measures, investigation and analysis, remediation and recovery, and follow-up actions.
Algorithm Violation Handling System	Clarify the types of algorithm violations and establish corresponding penalty rules. Penalties include training, warning, fine, suspension, dismissal, and legal pursuit.

4.3 Supply Chain Management

We give high priority to managing environmental and social risks of our supply chain by formulating and implementing the Supplier Management System of China Literature Limited and continuously supervise and manage the suppliers' category framework maintenance, admission and review, performance evaluation, information maintenance, etc. to ensure standardised management on the Company's procurement and suppliers.

To strengthen integrity and compliance within our supply chain and ensure fair and orderly procurement cooperation, we implement comprehensive, high-standard requirements for the conduct of internal procurement staff and external suppliers. For internal procurement staff, we have developed a code of conduct, where the staff are required to declare in writing any sensitive relationships they may have with our suppliers, to ensure the fairness of procurement business. For all external suppliers, we adhere to the principles of openness, transparency, fair competition, equity and honesty. We have signed an Anti-Bribery Statement with all our long-standing suppliers, as well as provisions relating to labour rights, health and safety and environmental protection commitments to ensure fairness and order in all aspects of the supply chain. Should any suppliers violate these terms, we will immediately terminate the cooperation. In 2025, we strengthened our management of sensitive supplier relationship, requiring all registered suppliers to submit the Sensitive Supplier Relationship Declaration Form of China Literature Limited. This form clearly defines sensitive personnel relationships and sensitive business relationships, using systematic controls to reinforce the integrity within our supply chain and ensure a fair and compliant partnership ecosystem.

Supplier Full Lifecycle Management

We continuously maintain the supplier system and optimise the management of supplier categories. The digital system covers all aspects of suppliers, including admission and filing, performance assessment, capacity-building training, and rewards and replacement. It enables standardised management of suppliers throughout their entire life cycle, standardises the operational procedures for procurement and supplier management, and establishes a sound mechanism for updating and maintaining supplier information, effectively ensuring the continuity and stability of the supply chain.

In 2025, we refined our supplier vetting and performance management systems, implementing granular, end-to-end controls to strengthen our supply chain's resilience:

Supplier onboarding phase management: At this phase we focus on the pre-assessment of suppliers' potential capabilities and risks. We evaluate factors including service quality and technical competency, verifying business registration details, legal compliance, and requisite authorisations. All procurement qualification documents are maintained in full.

We establish a differentiated review process, based on which we deploy differentiated vetting strategies and allocate resources based on the potential risks and value associated with a supplier's role in specific categories and projects, optimising the use of management resources. For potential suppliers, we conduct reviews covering affiliation checks, inclusion on any discredit or blacklists, financial health assessments, and verification of historical project cases to screen out high-risk suppliers and identify qualified ones. For suppliers who have passed this initial screening, we conduct a deeper capability assessment to select high-potential partners for long-term collaboration.

Post-onboarding supplier management: At this phase we focus on tracking performance throughout the engagement lifecycle and driving continuous improvement, enabling active monitoring and post-performance evaluation.

We have established a multi-dimensional evaluation system and operational procedures, developing differentiated and detailed indicators based on the characteristics of suppliers. We conduct regular performance evaluations and technical scoring for key categories of suppliers and those we engage frequently, considering factors such as product quality, service quality, delivery efficiency, risk control and compliance, response speed, and environmental qualifications. Meanwhile, we organise on-site inspections of suppliers at least twice a year to provide an objective reference for procurement decisions. Upon completion of the evaluation, we conduct a systematic analysis to assign suppliers a performance grade (classified into four levels: A, B, C, and D). For suppliers graded C, specialised risk control measures are implemented, including assistance in developing improvement plans with defined rectification timeline. For suppliers graded D, subject to applicable contractual terms, we may implement measures including placement on a watch-list or termination of the relationship, as detailed below:

- Discuss with them on the remedial steps to help them improve their service quality;
- Reduce the number of orders;
- Impose penalties;
- Cease to make the payments;
- Place them on a watch-list.

We may disqualify the supplier, if:

- The supplier practises bribery, breach confidentiality, or seriously violates business ethics;
- We suffer significant losses due to late delivery, quality problems or supplier default.

Region	Number of suppliers as at 31 December 2025
Chinese mainland	8,032
Hong Kong, Macao and Taiwan	92
Overseas	290
Total	8,414

Note: Number of suppliers refers to the number of suppliers in the supplier database and region refers to the supplier's registered location.

Suppliers Information Security and Data Compliance Management

We safeguard information and data within our supply chain through a dual approach of internal governance and contractual constraints.

Internal governance: we have established the Third-party Data Compliance Management System of China Literature Limited, providing clear guidelines for third-party data security and enabling precise control of data risks throughout the service delivery process. In 2025, we strengthened security and compliance controls for procuring external systems by introducing the Security and Compliance Standards for Externally Sourced Systems. These standards define mandatory requirements for software, platforms, services, or embedded systems we procure, mitigating potential cybersecurity, data security, and business continuity risks introduced via external systems and the supply chain, and ensuring alignment with the Group's overall security and compliance requirements.

Contractual constraints: we included confidentiality clauses related to information and data protection in contracts and required all suppliers to sign the Letter of Commitment for Compliance with Business Cooperation Confidentiality and the Statement of Security Responsibility. The Letter of Commitment for Compliance with Business Cooperation Confidentiality explicitly prohibits either party from disclosing confidential information – including user privacy data, proprietary data, and intangible assets – to any third party without prior written consent. The Statement of Security Responsibility sets forth requirements for the system security and management capabilities of the counterparty, requiring them to commit to meeting relevant requirements to prevent data breaches or loss.

In the course of daily supplier management, we regularly review the information security qualifications of suppliers. Our 40 key suppliers in the fields of R&D outsourcing, IT materials, IT services and cloud services all have the ISO 27001 Information Security Management System Certification. Also, we have established a regular review system for supplier data security to continuously monitor suppliers' performance in data and privacy protection, ensuring that their actions fully comply with confidentiality requirements.

Environmental Management Requirements for Suppliers

We incorporate environmental protection requirements into supplier management. For manufacturing suppliers, we mandate strict adherence to relevant environmental laws and regulations, proper operation of pollution control facilities, successful passage of regulatory environmental reviews, and possession of all necessary environmental permits for production.

New Classics Media also adheres to the concept of environmental protection in procurement. We give priority to purchasing energy-saving and environment-friendly office appliances such as LED lights, degradable garbage bags and sensor faucets. For office furniture suppliers, we require the manufacturers to pass ISO 14001 Environmental Management Certification, ISO 45001 Occupational Health and Safety Management Certification, ISO 9001 Quality Management Certification, China Environmental Labelling Product Certification, etc., and operate in strict accordance with their management standards to ensure that their products do not cause damages to the natural environment or human health.

5. Promoting Cultural Access

At China Literature Limited, we believe business growth should go hand-in-hand with social responsibility. We are committed to creating positive social impact and giving back to the community through diverse initiatives. We have established a Public Welfare Committee and formulated the Measures for the Management of Public Welfare Activities of China Literature Limited to standardise the management of public welfare projects. Leveraging the advantages of our platform in cultural communication, we continuously explore diverse pathways to promote cultural accessibility by focusing on different demographic groups and cultural contexts. We deeply integrate cultural value with societal needs, promoting the accessibility and circulation of cultural resources at a broader societal level, thereby maximising the social value created.

In 2025, we organised the following events:

(a) Reading for Good: Sharing Knowledge, Supporting Dreams

China Literature Limited remains focused on promoting cultural access for young people, carrying out public welfare reading activities to enable broader sharing of cultural resources. During the “99 Giving Day” campaign in 2025, we once again launched the “Reading Together Public Welfare Program”. In partnership with Qidian Reading and QQ Reading, we joined hands with Adream Foundation and leveraged its study tour public welfare project “Dream Journey” to support youth in remote areas to enhance their overall competencies, helping extend educational and cultural resources to these communities.

During the event, China Literature Limited fully leveraged the advantage of its digital reading platform in connecting users with social welfare causes. It collaborated with 8 China Literature Limited authors and 8 major IP characters to jointly advocate for public welfare reading, encouraging users to participate through various means such as donating reading time, engaging in "Donate Together", and donating books for public welfare. The campaign attracted over 90,000 users, with an accumulated donation of reading time exceeding 550,000 hours. Leveraging the "Reading Time – Study Tour Mileage" linkage mechanism, the platform converts users' donated reading time into phased targets for unlocking study tour mileage. In a short period, users across both platforms successfully unlocked the target of 1,500 kilometres. Through thoughtful rule design and large-scale mobilisation, we encourage readers to participate in public welfare activities through reading, thereby providing study tour opportunities for adolescents in remote areas, allowing children to explore the world, broaden their horizons, and enhance their capabilities through practical experiences. Building on this, 14,000 book enthusiasts and fans participated in the "Donate Together" campaign. With matching funds from the platform, a total of RMB117,875 was raised to support the implementation of the study tour public welfare project. Additionally, the event achieved its first-ever integration of China Literature Limited products with WeChat Status, with 18,917 users displaying the public welfare rosebud badge. This initiative embedded public welfare participation into everyday social scenarios, driving broader public awareness and engagement.

Looking ahead, we will continue to enhance the effectiveness of our platform-driven philanthropy, extending public welfare reading resources to more remote areas. We aim to empower youth development through the power of reading, ensuring the light of cultural access reaches more children on their path to growth.



"Reading Together Public Welfare Program" – 99 Giving Day Public Welfare Initiative



Study Tour Public Welfare Project "Dream Journey"



Writers of China Literature



IP Characters of China Literature

(b) Building Literary Spaces, Curating New Experiences

In April 2025, on the World Book Day, China Literature Limited, with Nanjing Library, jointly unveiled the "China Literature Reading Nanjing Library" online literature-themed reading space. As an innovative practice of in-depth collaboration between public cultural service institutions and online literature platforms, this project explores new pathways for integrating digital content into public reading spaces. By introducing online literature resources into library settings, it expands public access to digital reading and online literature, thereby supporting nationwide reading initiatives and promoting cultural access.

The reading space created for this event integrates physical book reading, audiobook listening, interactive viewing, and IP derivative displays, offering readers and fans a diversified and immersive reading experience. Through the integration of online content and offline spaces, more readers are attracted to visit public cultural venues, thereby enhancing the appeal and utilisation efficiency of public reading spaces and increasing public engagement. Upon the launch of the reading space, a series of themed events focusing on online literature creation and reading experience were organised. The inaugural event centred on "Lord of the Mysteries" (《詭秘之主》) showcased the co-creation achievements between creators and readers. Through art installations and interactive formats, it fostered public understanding of the content forms and creative ecosystem of online literature, further bridging the distance between creators, works, and readers.

In the future, we will deepen collaboration with Nanjing Library to jointly establish an online literature writer exchange platform. With high-quality contents and innovative service models, this partnership will contribute to the development of nationwide reading and inject new vitality into the public's spiritual and cultural life.



"China Literature Reading Nanjing Library" online literature-themed reading space



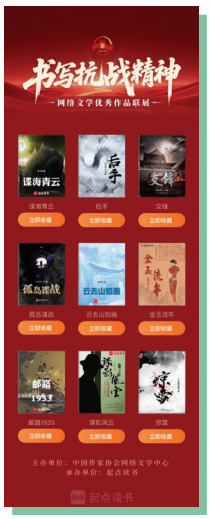
The first "Lord of the Mysteries" (《詭秘之主》) themed event at the reading space

(c) Writing Remembers the Beacon Fires, Literary Essence Transmits the Spirit

2025 marks the 80th anniversary of the victory in the Chinese People's War of Resistance against Japanese Aggression and the World Anti-Fascist War. Centred on the theme "Remember History, Honour Heroes, Forge Ahead", China Literature Limited launched a writing contest to commemorate this anniversary. We encouraged authors to explore this period through their writing, preserving its legacy and conveying the spirit of national resilience from those challenging times to new generations. The contest welcomed submissions across multiple genres – "military, historical romance, and contemporary fiction" – offering diverse perspectives on the war's history and its place in collective memory. While upholding positive values, it enriched the landscape of Resistance-themed online literature. Building on this, China Literature Limited actively participated in the "Writing the Spirit of the War of Resistance" outstanding online literature works exhibition organised by the Online Literature Centre of the China Writers Association, with multiple War of Resistance-themed works selected for exhibition. The relevant works restore the historical scenes of the War of Resistance from diverse perspectives, showcasing the patriotic sentiments and heroic spirit of the Chinese people. They provide readers with high-quality content that helps them understand the history of the War of Resistance and inherit the red spirit, further promoting the dissemination and celebration of the War of Resistance spirit within the field of online literature.



Writing Contest to Commemorate the 80th Anniversary of War of Resistance against Japanese Aggression



Multiple Works Were Selected for the "Writing the Spirit of the War of Resistance" Outstanding Online Literature Works Exhibition

(d) A Literary Decade, A New Chapter of Shared Ideas

2025 also marks the 10th anniversary of the collaborative learning platform established by China Literature Limited and TencentX. On the 30th World Book Day, China Literature Limited joined with TencentX and the School of Management at Fudan University to launch the "Future Business Academy (Phase IV)". The program focuses on three core topics "AI, IP, and Consumption" targeting enterprise managers and innovation practitioners. It systematically explores the integration pathways of cultural content, IP value, and new consumption models in the context of digital technology transformation, aiming to enhance the industry's understanding and practical capabilities in digital culture and business innovation.

As a crucial component of the program's launch, we participated in the TencentX Cross-Border Thought Sharing Session on Reading Day. Through keynote speeches and panel discussions drawing on our experience in online literature and IP ecosystem development, we shared insights on content creation, operations, and industry collaboration. These cross-border exchanges help translate our practical know-how into shared industry knowledge, fostering the spread of cultural and business insights and strengthening the collaborative foundation for the digital cultural industry's healthy and innovative growth.

In the future, China Literature Limited will continue to participate in the development of diversified learning and exchange platforms. By sharing experience and fostering co-creation mechanisms, the company will promote positive interactions among cultural content, technological innovation, and industry development, thereby providing sustained impetus for the sustainable growth of the digital cultural industry.



Launch of "Future Business Academy (Phase IV)"



Cross-Border Thought Sharing Session on Reading Day

(e) Literary Thought Connects the World, Co-Creating a New Ecosystem

China Literature Limited continues to advance international exchange and multilateral co-creation in online literature, actively expanding the global practice pathways for cultural access. In December 2025, China Literature Limited participated in organising the 4th Shanghai International Online Literature Week. The event brought together online literature writers, scholars, and industry representatives from 14 countries and regions to Shanghai. Discussions centred on the globalisation of online literature and the co-creation of a new generation of global IPs. Online literature as a bridge, the event facilitated dialogue and mutual learning among creators from diverse cultural backgrounds, marking a significant step for the genre onto the world stage.

Concurrently, China Literature Limited hosted the 2025 WebNovel Spirity Awards (WSA) ceremony, where over twenty works from 14 countries and regions received awards. The multilingual and multi-genre creative achievements vividly demonstrate the unique value of web novels in connecting global creators and readers while fostering cultural exchange.

Looking ahead, we will continue to refine our overseas creative ecosystem. Building on the mature operation of its English-language creation system, we will progressively expand into additional language tracks, including Spanish, Portuguese, German, and French, among others. This expansion aims to lower barriers to entry for global creators and further leverage online literature's role as a bridge connecting diverse cultures.



The 4th Shanghai International Online Literature Week



2025 WebNovel Spirity Awards (WSA) Ceremony

6. Environmental Protection

6.1 Green and Low-carbon Operation

We are deeply committed to green development, recognising that environmental protection and resource conservation are fundamental to fulfilling our social responsibilities and achieving long-term sustainability. We strictly adhere to and implement such environmental laws and regulations as the Environmental Protection Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China. We have established the Energy-Saving and Consumption Reduction Management System to advocate for low-carbon office practices, resource conservation, and the reduction of pollutant generation and emissions, while prioritising the use of recyclable office supplies. We consistently place great importance on the harmonious coexistence of the enterprise and the environment. By continuously improving our environmental management system, vigorously promoting green office practices and the application of clean technology, earnestly implementing energy conservation and emission reduction measures, allocating sufficient resources to achieve climate-related goals, and adhering to the green development path, we strive to become an active practitioner of green operations.

The headquarters office building of China Literature Limited has been awarded LEED certification, which signifies that the building has achieved exceptional standards in energy and water conservation, reduction of greenhouse gas emissions, and minimisation of natural resource consumption. The headquarters office building employs sustainable materials to reduce waste generation during the construction process. Additionally, by optimising indoor air quality, we are committed to creating a healthier and more comfortable working environment for its employees.



LEED Certification



The Office Building of China Literature Limited

At our office premises, we have adopted various measures for the refinement of energy management.

Energy and water conservation actions
We have introduced an intelligent lighting control system that uses efficient LEDs, smart dimming, and scheduling for precise energy management.
Turn off computers, lights, and electrical equipment that are not in use promptly. All office display devices are equipped with smart sleep functions to cut energy use through features such as timed shutdown, adaptive brightness adjustment, and dynamic adjustment.
Implement refined management of air conditioning systems, balancing employee comfort needs with energy conservation by ways of temperature control, humidity control, and scheduled operation.
Prioritise on purchasing and using energy-saving office facilities.
In the procurement of official vehicles, we give priority to energy-saving and environmentally friendly electric models and implement the "one vehicle with one fuel card" management system for gasoline vehicles, which enables the accurate recording of the distance travelled and fuel consumption and improves the standardised and transparent use of vehicles. With this system, we can identify and solve exceptions in fuel consumption in a timely manner, and optimise the utilisation of vehicles, thereby reducing emissions.
Use water conservation facilities, conduct daily maintenance for water equipment to avoid dripping and leakage.
Put up energy and water saving posters to improve employee environmental awareness.

Resources conservation and solid waste management
Advocate the sharing of ceramic cups, eco-friendly bags and refillable pens to reduce the consumption of disposable office supplies.
Use certified renewable-source paper, set double-sided printing as the default, advocate paperless workflows, and provide paper recycling bins.
Send destroyed hard drive components and lead-acid batteries over to qualified suppliers for certified harmless treatment.
Promote awareness of garbage classification and install classified garbage bins.

6.2 Response to Climate Change

6.2.1 Climate Governance

The Group has established an ESG management framework comprising board-level oversight, management-level promotion, and business representative implementation to actively advance ESG governance and performance improvement, including climate governance. The Board of Directors, as the highest ESG governance and decision-making body, has incorporated climate-related risks into the corporate risk management framework. It oversees day-to-day operational activities, conducts annual reviews of overall and specific strategic development plans and progress toward goals, and examines information disclosed externally. The Board of Directors regularly receives briefings and training on climate change-related information to ensure it continues to possess appropriate skills and competency in overseeing the Group's strategies for addressing climate-related risks and opportunities. The management, under the oversight of the Board of Directors, is responsible for daily monitoring, management, supervision, and guidance of business representatives across various departments in implementing climate initiatives within their respective business segments. It assesses and executes measures for climate risk mitigation and opportunity development, while also supporting the implementation of climate strategies at the Group level. All departments carry out climate change management and reporting activities, reporting their progress and the achievement of climate targets to the management. During the reporting period, the management regularly held communication meetings related to climate change to review the progress of the Group's climate change management efforts.

6.2.2 Risk Management

We have incorporated climate risks into our risk assessment and management system. Additionally, all departments have taken measures within their operational management to manage and mitigate the impacts of climate risks on business operations. We place emphasis on analysing the impacts of climate change on the economy, society, and the environment. Through internal surveys, climate scenario analysis, industry research, and external recommendations, we identify, analyse, and assess climate risks and opportunities in order to formulate risk response strategies and avenues for seizing opportunities. Compared with the previous reporting period, our processes for identifying, assessing, and monitoring climate-related risks and opportunities have undergone no material changes.

Step 1

Listing of Categories of Climate Risks and Opportunities

In alignment with the Task Force on Climate-related Financial Disclosures (TCFD) framework, we have conducted an initial inventory of climate risks and opportunities, including physical risks, transition risks, and opportunities.

Step 2

Identification of Risk and Opportunity Inventory

By analysing practices among industry peers and along the upstream and downstream segments of the value chain, and leveraging suggestions from internal and external experts as well as database analysis, we have identified an inventory of climate-related risks and opportunities relevant to the Group.

Step 3

Assessment of the Impact of Risks and Opportunities

Conduct scenario analyses at both the industry and asset levels to identify key climate risks and opportunities within business operations and the value chain. Through the advice of internal and external experts, we assessed their relative priority in terms of impact on the business of China Literature, thereby identifying priority risks and opportunities.

Step 4

Risk Management and Response

To address material risks and opportunities, the Group has enhanced its climate risk response strategies. Various departments collaborate to gain an in-depth understanding of climate risks and their impacts, and develop and upgrade targeted response strategies accordingly. Meanwhile, the Group regularly monitors the progress of risk management improvement.

6.2.3 Climate Strategy

In 2025, China Literature Limited continued to monitor industry developments, market trends, and technological advancements relevant to categories of climate risks and opportunities outlined in the TCFD framework. By integrating insights from peers and upstream and downstream value chain practices, along with internal and external expert recommendations and database information, we reviewed and reassessed the six climate risks and opportunities identified in the previous reporting period that are relevant to the Group. Following this review, the list of climate risks and opportunities recognised in the current reporting period remains consistent with that of the previous period, totalling 6 items. These comprise 3 physical risks (typhoons and floods, extreme heat, drought and water stress), 2 transition risks (carbon emissions, corporate reputation), and 1 climate opportunity (low-carbon products and services).

Drawing on external standards and considering the Group's operational response measures to relevant climate risks and opportunities, the impact of climate risks and opportunities has been categorised along a time dimension into short-term (1 year), medium-term (2 to 5 years), and long-term (over 5 years). By leveraging the research and assessments conducted by internal and external stakeholders, we analyse the nature, likelihood, and magnitude of the impacts. This supports the effective identification and in-depth discussion of relevant risks and opportunities across different strategic decision-making and planning cycles, enabling the evaluation and prioritisation of each climate risk and opportunity for the Group. We have identified the following 6 climate related risks and opportunities relevant to the Group and have implemented corresponding response measures:

Type	Risks/ Opportunities	Description of the Impact	Time Horizon	Response Measures
Physical risks	Typhoons and Floods	This may lead to damage to office, data centre, or server room equipment, resulting in data loss, disruption to continuous operations, and posing safety risks to employees. It may also affect supplier delivery schedules and increase transportation costs.	Short-term, Medium-term, and Long-term	Consideration of flood and water body location factors, along with the purchase of property insurance, in the site selection process for data centres and office buildings. Development of emergency response plans for typhoons, heavy rain, and floods to ensure adequate emergency preparedness. Placement of servers, air conditioning units, and other critical equipment in locations that meet the required flood and wind resistance standards. Implement work-from-home management measures and purchase personal accident and health insurance for employees. Rigorous evaluation of supplier qualifications and prioritisation of partners with risk resilience in supply chain management.

Type	Risks/ Opportunities	Description of the Impact	Time Horizon	Response Measures
Physical risks	Extreme Heat	Increased cooling demands for equipment and facilities may lead to power supply shortages, resulting in higher operating expenditures, and posing health and safety risks to employees.	Short-term, Medium-term, and Long-term	In response to extreme heat, enhance the heat dissipation capabilities of buildings and the operational efficiency of equipment. In anticipation of fire hazards that may be caused by high temperatures, develop fire emergency response plans, conduct regular training and drills to ensure adequate emergency preparedness. Purchase personal accident and health insurance for employees.
Physical risks	Drought and Water Resource Stress	May lead to a shortage of cooling water for data centres or server rooms, thereby affecting continuous operations and potentially increasing expenditures on the procurement of backup water sources.	Medium-term, and Long-term	Consider the availability of water resources in the site selection process for office buildings. Adopt water-saving equipment and implement water-saving retrofits for existing devices to enhance water resource efficiency. Plan for the installation of backup water facilities in the event of water shortages.
Transition risks	Carbon Emissions	With global efforts to limit total greenhouse gas emissions, measures such as carbon trading, carbon taxes, and carbon border taxes are being implemented. The cost of greenhouse gas emissions is likely to increase annually, thereby leading to higher operating costs.	Medium-term, and Long-term	Engage a third-party team to continuously monitor developments in carbon-related laws and regulations, and conduct regular annual calculations of carbon emissions. Implement energy-saving projects within the office environment. Continuously evaluate server energy efficiency to optimise the utilisation of existing equipment. Implement localised and diversified sourcing, and advance the green transformation of the supply chain.

Type	Risks/ Opportunities	Description of the Impact	Time Horizon	Response Measures
Transition risks	Corporate Reputation	Regulators, investors, customers, and other stakeholders are increasingly demanding higher standards for corporate climate performance. Climate disclosures and responses may significantly impact corporate reputation, which in turn affects financing and market value.	Medium-term, and Long-term	Conduct transparent disclosures through the official website, ESG reports, and ratings, and promptly respond to the concerns and demands of stakeholders regarding China Literature's climate performance. Actively participate in various exchange activities to communicate key measures for addressing climate change and high-quality industry development with stakeholders.
Climate opportunity	Low-Carbon Products and Services	Create online literature and other digital content products themed around low-carbon and environmental protection, and collaborate with relevant government departments and social organisations to conduct green advocacy campaigns.	Long-term	Participate in or organise thematic activities focused on low-carbon and environmental protection, such as launching environmental writing contests.

In alignment with China Literature Limited's operational profile and through comprehensive assessment, the Group engages in no large-scale production activities, resulting in relatively low energy consumption and greenhouse gas emission intensity. Furthermore, the Group does not hold material assets that are highly sensitive to climate related physical/transition risks. Consequently, the impact of relevant climate transition risks, physical risks, and opportunities on the Group's operations and value chain is relatively limited. We reasonably expect that, within the short-term, medium-term, and long-term time horizons, the 6 climate-related risks and opportunities identified will not have a material impact on the Group's financial position, financial performance, cash flows, access to financing, or cost of capital, and therefore do not fall within the scope of material risks and opportunities. Moving forward, we will continue to identify, assess, and manage climate related risks and opportunities affecting both our operations and supply chain, in accordance with regulatory requirements, business developments, and management needs.

Although climate physical risks are not considered material to the Group and do not have a substantial impact, China Literature Limited upholds a prudent management philosophy and places high importance on their potential uncertainties. We proactively integrate physical risk controls into routine operational management. The Group has established the Emergency Response Plan of China Literature, continuously improving preparedness and resource allocation for extreme weather events–such as typhoons, fires, and earthquakes–as well as geological hazards, with the aim of minimising damage to office facilities and equipment and mitigating risks to employee safety.

In 2025, to further strengthen the foundation for climate physical risk prevention and to identify potential vulnerabilities in advance, the Group conducted a dedicated flood risk assessment. Using the Water Risk Filter (WRF) tool developed by the World Wide Fund for Nature (WWF) and based on the 2020 WRF dataset, we evaluated the impact of flood risk on the Group's operational sites, digital infrastructure, and supplier countries/regions under optimistic, current trend, and pessimistic scenarios for the years 2030 and 2050.

Selected Scenario	Optimistic Scenario RCP2.6/RCP4.5, SSP1	Current Trend Scenario RCP4.5/RCP6.0, SSP2	Pessimistic Scenario RCP6.0/RCP8.5, SSP3
Climate Characteristics	Low-carbon emissions assumption scenario: Halve greenhouse gas emissions by 2050 through effective mitigation measures.	Medium carbon emissions assumption scenario: Greenhouse gas emissions peak by mid-century and decline thereafter through moderate mitigation measures.	High carbon emissions assumption scenario: Maintaining the status quo leads to a continued rise in greenhouse gas emissions.
Socio-economic Characteristics	Emphasis on harmony between humans and nature; effective and sustained cross-regional and cross-institutional cooperation; stringent environmental management; rapid technological innovation; increased efficiency in resource utilisation; reduced water scarcity and enhanced water security, etc.	Continuation of current socio-economic trends; relatively weak transnational and cross-institutional cooperation; no major technological breakthroughs; slight reduction in resource use intensity; degradation of environmental systems; uneven progress in access to safe drinking water and improved sanitation in low-income countries, etc.	Weak global governance, institutions, and leadership; reduced investment in technology R&D; increased resource use intensity; lack of emphasis on environmental policies leading to severe damage to regional environmental systems; continued population growth, increasing water stress and challenges to water security, etc.
Projected End-of-century Warming	<2℃	>2℃	>4℃
Scenario Source	Intergovernmental Panel on Climate Change (IPCC) World Wide Fund for Nature (WWF) Global Water Risk Assessment Tool		

The flood risk assessment results (in percentage) for the countries/regions where the Group's own operation and data infrastructure facilities are located

the Group's own operation and data infrastructure	2030 Optimistic Scenario	2030 Current Trend Scenario	2030 Pessimistic Scenario	2050 Optimistic Scenario	2050 Current Trend Scenario	2050 Pessimistic Scenario
Extremely Low Risk	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Low Risk	0.0%	25.0%	25.0%	25.0%	25.0%	0.0%
Medium Risk	25.0%	0.0%	0.0%	0.0%	0.0%	25.0%
High Risk	16.7%	16.7%	8.3%	8.3%	8.3%	8.3%
Relatively High Risk	33.3%	33.3%	41.7%	41.7%	41.7%	41.7%
Extremely High Risk	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%

The flood risk assessment results (in percentage) for the countries/regions where the suppliers of the Group are located

the suppliers	2030 Optimistic Scenario	2030 Current Trend Scenario	2030 Pessimistic Scenario	2050 Optimistic Scenario	2050 Current Trend Scenario	2050 Pessimistic Scenario
Extremely Low Risk	3.0%	3.0%	3.0%	3.0%	0.0%	0.0%
Low Risk	9.1%	15.2%	15.2%	12.1%	15.2%	6.1%
Medium Risk	30.3%	24.2%	30.3%	21.2%	18.2%	30.3%
High Risk	15.2%	9.1%	6.1%	21.2%	21.2%	18.2%
Relatively High Risk	27.3%	30.3%	30.3%	27.3%	27.3%	30.3%
Extremely High Risk	15.2%	18.2%	15.2%	15.2%	18.2%	15.2%

Note:

The scenario analysis is based on the geographical location data of offices, data centres, and supplier regions and provinces as of 2025. As the business of China Literature Limited develops, the Group's geographical locations may change in the future, introducing certain uncertainties into the scenario analysis. The scenario analysis relies on the WWF WRF dataset and does not fully integrate dynamic information on risk evolution under climate and socio-economic scenarios. Predictions such as flood frequency and intensity are inherently estimates based on historical data, carrying uncertainties over time.

The assessment results show that, compared with 2030, in different scenarios, the proportion of the Group's various operational sites and data infrastructure located in regions with high-risk or above levels remains unchanged in 2050, while the proportion of suppliers' locations exposed to high-risk has increased.

In response to these projected risks, China Literature Limited has optimised the responsibilities of relevant departments based on internal resource allocation and developed a series of risk adaptation and mitigation strategies:

- ✓ Facility Maintenance: Regularly inspect and maintain drainage systems and waterproof facilities within secure areas to ensure they are functional and operating normally.
- ✓ Early Warning and Proactive Prevention: Closely monitor weather forecasts and take preventive measures in advance of heavy rain or other weather conditions that may cause water inundation.
- ✓ Resource Stockpiling: Stockpile critical emergency rescue materials such as sandbags, pumps, waterproof fabric, buckets, and hoses to ensure quick deployment during emergencies.
- ✓ Staff Training: Organise training for security personnel on emergency response to water inundation to enhance their practical skills in emergency response and rescue.
- ✓ Emergency Activation: Establish an emergency response working group to ensure that emergency response procedures are initiated immediately upon receiving warning signals.
- ✓ Specialized Team Coordination for Rescue: Form on-site rescue teams, technical support teams, medical and health teams, and logistical support teams, with clear division of labour and coordinated implementation of emergency response to ensure comprehensive and efficient rescue operations.
- ✓ For climate risk management measures related to suppliers, please refer to Section 4.3 Supply Chain Management – Supplier Environmental Management Requirements.

The Group keenly recognises the growing user interest in sustainability and climate change issues, proactively integrating climate-related themes into content creation to fulfil social responsibilities and cultivate potential value touchpoints. Building on this, China Literature Limited has accurately identified core drivers and formulated a green content advocacy strategy. Among the works produced by China Literature Limited, a number of climate-related creations have emerged, focusing on the harmonious coexistence of humans and nature, environmental protection, new energy, and climate change. These include fantasy works exploring the relationship between humans and nature (such as "I See the Green Mountains" (《我見青山》) and "Boundless Night" (《夜無疆》)) and realistic works centred on environmental practices and new energy development (such as "Light in the Fourth Pole" (《第四極有光》) and "Wind Rider" (《馭風者》), among others). Such works combine profound reflections on the relationship between humanity and nature with contemporary concerns for sustainable development. Some have already received literary awards and special support, achieving a dual win in ideological value and communicative impact. Moving forward, the Group will continue to focus on climate-related thematic works, steadily exploring potential market opportunities while upholding content quality. We aim to promote the widespread dissemination of sustainable development concepts through literary works, thereby achieving synergy between social responsibility and brand value enhancement.

6.2.4 Metrics and Targets

The Group actively responds to the Paris Agreement, gradually advancing the setting of climate-related goals to support global collective efforts in addressing climate change. 2019 as the base year, China Literature Limited established environmental goals for 2025, covering key dimensions such as greenhouse gas emissions, energy efficiency, water efficiency, waste management, and office paper usage. As of the end of 2025, all goals have been achieved as planned. Based on the achievements of the 2025 targets, the Group's ESG management reviewed the existing targets and, with 2025 as the new base year, updated the environmental goals. Environmental goals have been linked to the compensation of business representatives to drive the upgrade of the sustainable development strategy. The environmental goals are as follows:

Environmental target	2025 Targets (Base year: 2019)		2028 Targets (Base year: 2025)
	Description of the target	Achievement Status	Description of the target
Greenhouse Gas Emission	• Direct GHG emissions (Scope 1) decline by 30% • Indirect GHG emissions (Scope 2) decline by 15%	Achieved	• The total direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2) decline by 2%
Energy efficiency	• Gasoline consumption declines by 30% • Electricity consumption declines by 15%	Achieved	• Maintain gasoline consumption at the 2025 level • Electricity consumption declines by 2%
Water efficiency	• Water consumption declines by 15%	Achieved	• Maintain water consumption at the 2025 level
Wastes	• 100% implementation and completion of the garbage classification system among all offices • 100% completion of harmless disposal of wastes among all offices • Harmless disposal of all destroyed hard drive components and lead-acid batteries by qualified suppliers	Achieved	• Maintain 100% implementation and completion of the garbage classification system among all offices • Maintain 100% completion of harmless disposal of wastes among all offices • Maintain harmless disposal of all destroyed hard drive components and lead-acid batteries by qualified suppliers
Paper usage	• From 2023 onwards, 100% adoption of office paper with renewable certification among all offices to ensure that the purchased paper products come from sustainable forest resources	Achieved	• Maintain 100% adoption of office paper with renewable certification among all offices to ensure that the purchased paper products come from sustainable forest resources

Note:

(1) Targets are established and tracked in accordance with internal management processes and have not yet undergone third party independent verification. Going forward, we will assess the need for external assurance in line with our strategic development and regulatory trends.

(2) The target scope covers the production and operational offices of China Literature Limited, namely offices located in Beijing, Shanghai, Suzhou, Shenzhen, Hebei, Zhuhai, Hainan, and Hong Kong.

Below are our environmental KPIs. Unless otherwise specified, such KPIs cover our office buildings in Beijing, Shanghai, Suzhou, Shenzhen, Hebei, Zhuhai, Hainan, and Hong Kong.

(a) Emissions

	2025	2024	2023
Total GHG emissions (Scopes 1 and 2) (tonnes)	**1,135.08**	1,386.85	1,777.11
Direct GHG emissions (Scope 1) (tonnes)	**45.86**	45.47	43.17
Including: Petrol (tonnes)	**45.86**	45.47	43.17
Energy indirect GHG emissions (Scope 2) (tonnes)	**1,089.22**	1,341.38	1,733.94
Including: Electricity purchased (tonnes)	**1,089.22**	1,341.38	1,733.94
Total GHG emissions per floor area (tonnes per square meter)	**0.03**	0.03	0.05
Indirect GHG emissions (Scope 3) (tonnes)	**3,020.01**	2,403.48	/
Total GHG emissions (Scopes 1, 2 and 3) (tonnes)	**4,155.09**	3,790.33	/
Total non-hazardous waste (tonnes)	**285.77**	554.08	336.03
Total non-hazardous waste per floor area (tonnes per square meter)	**0.008**	0.013	0.009

Note:

(1) The emissions arising from our operation is limited, mainly includes domestic wastewater. Domestic wastewater has no material impact as it is discharged into municipal pipelines, so KPI A1.1 "types of emissions and respective emissions data" is not disclosed in this report.

(2) Due to the operational characteristics, our significant GHG emissions are direct GHG emissions derived from petrol consumption (Scope 1) of vehicles for business and shipping purposes and energy indirect GHG emissions derived from purchased electricity consumption (Scope 2). The calculation of Scope 2 emissions is based on geographical location. Compared with the previous reporting period, the relevant calculation methods have not been changed.

(3) GHG emissions data is presented in carbon dioxide equivalent and is based on the Guidelines of the Greenhouse Gas Emissions Accounting and Reporting for the Public Building Operation Enterprises and the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard issued by the National Development and Reform Commission.

(4) The hazardous waste arising from our operation is limited, mainly includes waste toner cartridge and waste ink cartridge from printing equipment at office buildings, as well as few disposed hard drive components and lead-acid batteries. All of the above-mentioned hazardous wastes have no material impact as they are collected and disposed of in a harmless manner by qualified suppliers, so KPI A1.3 (total hazardous waste produced) is not disclosed in this report.

(5) Non-hazardous waste arising from our operation mainly includes domestic waste, disposed devices and waste books. Domestic waste is centrally disposed by the property management company. Disposed devices are recorded and handled by the administration department for recycling or disposing. To further reduce non-hazardous waste, we adopt the paperless office platform to reduce paper photocopy and printing and encourage practices of printing on both sides and reuse of wastepaper, so as to avoid unnecessary paper waste. In 2024, the total volume of non-hazardous waste at the Beijing office increased due to the disposal of inventory of waste books. In 2025, there was no such inventory disposal, resulting in a decrease in the total volume of non-hazardous waste.

(6) Indirect GHG emissions (Scope 3) increased significantly in 2025 compared with 2024, mainly because the scope of categories expanded in 2025. The expanded scope includes Category 2: Capital Goods, Category 3: Fuel and Energy-related activities, Category 5: Waste Generated In Operations, Category 6: Business Travel and Category 7: Employee Commuting. The calculation method refers to the Greenhouse Gas Protocol's: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Given the nature of the Group's business and the conditions for data acquisition, the remaining three categories within the scope were not identified as having a significant impact during the reporting period. Moreover, the relevant data is difficult to obtain without incurring excessive costs or efforts. Therefore, it was not disclosed. Compared with the previous reporting period, the relevant calculation methods have not been changed.

(b) Use of Resources

	2025	2024	2023
Total energy consumption (MWh)	**2,116.35**	2,488.32	2,522.33
Total direct energy consumption (MWh)	**187.59**	185.98	176.58
Including: Petrol (MWh)	**187.59**	185.98	176.58
Total indirect energy consumption (MWh)	**1,928.76**	2,302.34	2,345.75
Including: Electricity purchased (MWh)	**1,928.76**	2,302.34	2,345.75
Total energy consumption per floor area (MWh per square meter)	**0.06**	0.06	0.07
Running water consumption (tonnes)	**2,609.29**	4,441.63	4625.51
Running water consumption per floor area (tonnes per square meter)	**0.07**	0.10	0.16

Note:

(1) Total energy consumption is calculated based on the data of electricity and petrol with reference to the Annex 1 Fossil Fuel Coefficients in the Guidelines of the Greenhouse Gas Emissions Accounting and Reporting for the Public Building Operation Enterprises issued by the National Development and Reform Commission.

(2) Our water resources come from municipal water supply, which is secure. The data on running water consumption and running water consumption per employee reported here only covers the domestic water of office buildings in Shanghai, Shenzhen, Beijing and Suzhou. The condensed water in the machine room used by the Shanghai Binjiang office and Beijing Jiaming office was recycled around the clock hours and was not included in the statistics of tap water consumption. And the water fees of other office buildings in Hong Kong, Hainan, Hebei and Zhuhai are covered by the property management companies.

(3) KPI A2.5 (total packaging material used for finished products) is not applicable to us, as we do not use packaging materials during operation.

(4) As we do not use other environmental and natural resources during operation, the aspect of A3 (environmental and natural resources) and A3.1 (description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them) are not applicable to us, so they are not disclosed in this report.

(5) As of the end of the reporting period, and due to the nature of operations, carbon emissions have a relatively limited impact on China Literature. Therefore, internal carbon pricing and carbon credit instruments have not yet been applied in operational decision-making. Furthermore, considering that the Group's business model exerts a relatively limited environmental impact, certain cross-industry and industry-specific climate disclosure metrics hold lower relevance for understanding the Group's climate-related performance and have therefore not been disclosed. Going forward, China Literature will continue to monitor updates to climate-related disclosure standards in line with regulatory requirements, business development, and internal readiness, and will assess and adjust relevant disclosure arrangements as appropriate.

7. Outlook

Looking ahead, we will continue to refine our environmental, social, and governance (ESG) framework, strengthening the governance foundation for sustainable development and upholding the synergy between economic value creation and social responsibility fulfilment. We will remain rooted in our core content business, continuously enhancing our capabilities in supplying high-quality content and services. While steadfastly safeguarding user rights and interests, we will support creator team development and talent cultivation, grow together with our employees, share long-term value with partners, and serve broader societal groups through philanthropic and cultural initiatives. We are committed to promoting nationwide reading and the sharing of quality cultural resources, thereby contributing consistently to social development and cultural prosperity.

HKEX Guide and Index

Issue	Disclosure Items	Location in Report
A. Environmental		
Aspect A1	**Emissions**	
General Disclosure	Relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	6.1 Green and Low-carbon Operation
A1.1	The types of emissions and respective emissions data	Not applicable
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Not applicable
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	6.1 Green and Low-carbon Operation
A1.5	Description of emission target(s) set and steps taken to achieve them	6.2.4 Metrics and Targets
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets(s) set and steps taken to achieve them	6.2.4 Metrics and Targets

Issue	Disclosure Items	Location in Report
Aspect A2	**Use of Resources**	
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	6.1 Green and Low-carbon Operation
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	6.2.4 Metrics and Targets
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	6.2.4 Metrics and Targets
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	6.2.4 Metrics and Targets
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	6.2.4 Metrics and Targets
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable
Aspect A3	**The Environment and Natural Resources**	
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Not applicable
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Not applicable

Issue	Disclosure Items	Location in Report
B. Social		
Aspect B1	**Employment**	
General Disclosure	Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	3.1 Employment and Labour Standards
B1.1	Total workforce by gender, employment type (for example, full– or part-time), age group and geographical region	3.1 Employment and Labour Standards
B1.2	Employee turnover rate by gender, age group and geographical region	3.1 Employment and Labour Standards
Aspect B2	**Health and Safety**	
General Disclosure	Relating to providing a safe working environment and protecting employees from occupational hazards. (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	3.2 Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	3.2 Health and Safety
B2.2	Lost days due to work injury	3.2 Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	3.2 Health and Safety

Issue	Disclosure Items	Location in Report
Aspect B3	**Development and Training**	
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work Description of training activities	3.3 Employee Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	3.3 Employee Training
B3.2	The average training hours completed per employee by gender and employee category	3.3 Employee Training
Aspect B4	**Labour Standards**	
General Disclosure	Relating to preventing child and forced labour: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	3.1 Employment and Labour Standards
B4.1	Description of measures to review employment practices to avoid child and forced labour	3.1 Employment and Labour Standards
B4.2	Description of steps taken to eliminate such practices when discovered	3.1 Employment and Labour Standards
Aspect B5	**Supply Chain Management**	
General Disclosure	Policies on managing environmental and social risks of the supply chain	4.3 Supply Chain Management
B5.1	Number of suppliers by geographical region	4.3 Supply Chain Management
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	4.3 Supply Chain Management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	4.3 Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	4.3 Supply Chain Management

Issue	Disclosure Items	Location in Report
Aspect B6	**Product Responsibility**	
General Disclosure	Relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	2. Developing a Content Ecosystem
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable
B6.2	Number of products and services related complaints received and how they are dealt with	2.4 Respond to Users' Feedback
B6.3	Description of practices relating to observing and protecting intellectual property rights	2.3 Intellectual Property Protection
B6.4	Description of quality assurance process and recall procedures	2.1 Safeguarding Content Security
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	4.2 Digital Security Management
Aspect B7	**Anti-corruption**	
General Disclosure	Relating to bribery, extortion, fraud and money laundering: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	4.1 Business Ethics Management
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	4.1 Business Ethics Management
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	4.1 Business Ethics Management
B7.3	Description of anti-corruption training provided to directors and staff	4.1 Business Ethics Management

Issue	Disclosure Items	Location in Report
Aspect B8	**Community Investment**	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	5. Promoting Cultural Access
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	5. Promoting Cultural Access
B8.2	Resources contributed (e.g. money or time) to the focus area	5. Promoting Cultural Access

Part D: Climate-related Disclosures

Climate-related Disclosure	Description	Location in Report
Governance	(a) The governance body(s) responsible for oversight of climate related risks and opportunities	6.2.1 Climate Governance
	(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	6.2.1 Climate Governance
Strategy	Climate-related risks and opportunities	6.2.3 Climate Strategy
	Business model and value chain	6.2.3 Climate Strategy
	Strategy and decision-making	6.2.3 Climate Strategy
	Financial position, financial performance and cash flows	6.2.3 Climate Strategy
	Climate resilience	6.2.3 Climate Strategy

Climate-related Disclosure	Description	Location in Report
Risk Management	(a) The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks	6.2.2 Risk Management
	(b) The processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	6.2.2 Risk Management
	(c) The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	6.2.2 Risk Management
Metrics and Targets	Greenhouse gas emissions	6.2.4 Metrics and Targets
	Climate-related transition risks	6.2.3 Climate Strategy
	Climate-related physical risks	6.2.3 Climate Strategy
	Climate-related opportunities	6.2.3 Climate Strategy
	Capital deployment	6.2.3 Climate Strategy
	Internal carbon prices	6.2.4 Metrics and Targets
	Remuneration	6.2.4 Metrics and Targets
	Industry-based metrics	6.2.4 Metrics and Targets
	Climate-related targets	6.2.4 Metrics and Targets